



Standing Committee on Finance

Comité permanent des finances

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Tuesday, February 22, 2022 - Le mardi 22 février 2022

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🕒 (1435)

[*English*]

The Chair (Mr. Peter Fonseca (Mississauga East—Cooksville, Lib.)): I call this meeting to order.

Welcome to meeting number 21 of the House of Commons Standing Committee on Finance.

Pursuant to the motion adopted in committee on Thursday, February 17, the committee is meeting to study the invocation of the Emergencies Act and related measures.

Today's meeting is taking place in a hybrid format, pursuant to the House order of November 25, 2021. Members are attending in person in the room and remotely using the Zoom application. The proceedings will be made available via the House of Commons website. So you are aware, the webcast will always show the person speaking rather than the entirety of the committee.

Today's meeting is also taking place in a webinar format. Webinars are for public committee meetings and are available only to members, their staff and witnesses. Members enter immediately as active participants. While functionalities for active participants remain the same, staff will be non-active participants and can therefore only view the meeting in gallery view.

I'd like to take this opportunity to remind all participants at this meeting that screenshots and taking photos of your screen are not permitted.

Given the ongoing pandemic situation, and in light of the recommendations from the health authorities as well as the directive of the Board of Internal Economy on October 19, 2021, to remain healthy and safe, all those attending the meeting in person are to maintain two-metre physical distancing and must wear a non-medical mask when circulating in the room. It

is highly recommended that the mask be worn at all times, including when seated. We must maintain proper hand hygiene by using the provided hand sanitizer at the room entrance.

As the chair, I will be enforcing these measures for the duration of the meeting, and I thank members in advance for their co-operation.

To ensure an orderly meeting, I'd like to now outline a few rules to follow. Members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. You have the choice, at the bottom of your screen, of either floor, English or French. If interpretation is lost, please inform me immediately and we will ensure interpretation is properly restored before resuming the proceedings.

The “raise hand” feature at the bottom of the screen can be used at any time if you wish to speak or alert the chair. For members participating in person, proceed as you usually would when the whole committee is meeting in person in a committee room.

Keep in mind the Board of Internal Economy's guidelines for mask use and health protocols.

Before speaking, please wait until I recognize you by name. If you are on the video conference, [*Technical difficulty*]. For those in the room, your microphone will be controlled as normal by the proceedings and verification officer.

When speaking, please speak slowly and clearly. When you are not speaking, your mike should be on mute. As a reminder, all comments by members [*Technical difficulty*] addressed through the chair.

With regard to a speaking list, the committee clerk and I will do the best we can to maintain a consolidated order of speaking for all members, whether they are participating virtually or in person.

This meeting is scheduled for a longer duration. In consideration of the fact that our witnesses may not get an opportunity to leave their virtual set-up, at around the halfway duration mark of the meeting, I will suspend the meeting for a five-minute health break.

Members, before we go to witnesses—this is committee business—our subcommittee met earlier today. In that subcommittee, we had an opportunity to go over the schedule of a number of studies before us, be it the PBC [*Technical difficulty*].

Ms. Annie Koutrakis (Vimy, Lib.): Mr. Clerk, is Mr. Fonseca frozen for us all? He's in Gatineau.

The Clerk of the Committee (Mr. Alexandre Roger): Yes, he's frozen for us all. He's had technical difficulties all day.

I believe we will have IT call him. He will probably join us via his phone.

In the meantime, we don't have Mr. McLean as the vice-chair.

Mr. Adam Chambers (Simcoe North, CPC): [*Inaudible*]

[*Français*]

Le président suppléant (M. Alexandre Roger): Monsieur Ste-Marie, en tant que deuxième vice-président, c'est à vous qu'il incombe de conduire la réunion. Vous avez le choix de l'ajourner ou de la continuer.

🕒 (1440)

Le vice-président (M. Gabriel Ste-Marie (Joliette, BQ)): Monsieur le greffier, ai-je le pouvoir de suspendre la réunion quelques minutes le temps de joindre M. Fonseca?

Vous me faites signe que oui.

La réunion est suspendue pour quelques minutes.





[English]

The Chair: I call the meeting back to order.

I apologize to everyone for the technology difficulties that I'm experiencing.

As I was saying just before we bring on our witnesses [*Technical difficulty*] our subcommittee, through unanimous consent, agreed to our subcommittee report which spells out a schedule to look at our pre-budget consultations, our Bill C-8 consultations, our Emergencies Act as well as our inflation study. I believe the clerk has distributed that schedule to all members.

There were a few minor changes that were made to the schedule to accommodate for a number of things which actually make this committee much better, so we will have the PBC for March 3. We'll have a second meeting from 6 to 8 p.m. This is if we have consent from all members to have them work through their whips to prioritize FINA over other committees to allow for that meeting. On the deadline for member recommendation submissions for the Emergencies Act study, members agreed to Friday, March 11.

On the Emergencies Act study, members agreed to add 30 minutes to 1 hour to the last witness of the meeting; to the Emergencies Act study tabling will be moved to March 28; to shuffling the March 24 with the March 21 meeting to help out the analysts to give them more time for that report; to have the RCMP and FINTRAC come before us this Thursday; to have the Bankers Association and to looking at Desjardins and the big five banks to see if they can come before the committee on March 7.

Clerk, did I capture everything?



(1445)

The Clerk: Yes, sir. That is my understanding, unless there is a member who heard something different.

The Chair: Could you just let me know if there is any show of hands for that, then what I'm asking members is for the adoption of this report.

The Clerk: You are getting thumbs up, sir.

The Chair: Excellent, thank you very much, members. That is very helpful.

Now it is my pleasure and opportunity to welcome our witnesses. We have the Canada Revenue Agency, Sophie Amberg, director, review and analysis division, charities directorate.

From the Department of Finance we have Isabel Jacques, assistant deputy minister, financial sector policy branch; Julien Brazeau, director general, financial crimes and security division, financial sector policy branch; Manuel Dussault, senior director of framework policy, financial institutions division, financial sector policy branch.

From the Department of Justice we have Samantha Maislin Dickson, assistant deputy minister, public safety, defence and immigration portfolio.

We'll commence with the Canada Revenue Agency, for up to five minutes.

Ms. Sophie Amberg (Director, Review and Analysis Division, Charities Directorate, Canada Revenue Agency):
Good afternoon, Mr. Chair. Thank you for the invitation to appear before you today.

My name is Sophie Amberg and I am the director of the review and analysis division of the charities directorate within the Canada Revenue Agency.

Through the Clerk, the CRA has provided a copy of my full remarks for the committee's attention which provide an overview of the CRA's specific role in this area, so in the interest of time, Mr. Chair, I will summarize my remarks by noting that the CRA's contribution is administered by two distinct areas: through the charities directorate, the area I represent,

which has a particular focus on determining whether the charitable registration system is being abused, and through the criminal investigates directorate, which supports the anti-money laundering efforts.

With that, Mr. Chair, I'll be pleased to answer any questions the committee may have.

The Chair: Thank you for your opening remarks.

Clerk, did you say that we had opening rounds from some of the other witnesses?

The Clerk: No, there are none .

The Chair: There are no further remarks, okay.

We will move to members and I've got MP Lawrence from the Conservatives. Each party will have up to six minutes for their questions in this first round, and I've got the Conservatives with MP Lawrence up first.

Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): Thank you, Mr. Chair, and thank you for fighting through your technological difficulties. We've all experienced that throughout the pandemic.

I want to start with a general statement and I will welcome anyone who wishes to respond. I suspect it's the Department of Finance that would be best positioned, but if any of the witnesses want to respond, that would be great.

The invocation of the Emergencies Act has given government the right to freeze the bank accounts of individuals, exposing individuals to potential financial ruin for, as the Minister of Justice said, supporting causes the government does not believe acceptable.

When you freeze someone's bank account, you are effectively removing them from society. They may not be able to pay for food to feed their children, put gas in their car to go to work, or even pay for electricity to heat their homes.

I want to walk through step by step the emergency measures orders respecting the financial provision so Canadians can clearly understand the financial implications. I believe there's a great deal of misinformation out there right now.

We'll start here.

Pursuant to the emergency measures order, financial institutions can effectively debank someone as a designated person. Under the emergency measures regulations, a designated person is defined as anyone who has participated or supported an unlawful assembly. This gives the government incredibly broad powers. As Professor Paul David said, “The debanking provisions are so broad, that literally a clerk at a Quickie market, who sold a propane canister to a protester, could have his account frozen.”

Witnesses, members, Canadians are afraid. Members of Parliament have received thousands of calls and emails from Canadians who are concerned that even a small contribution to a then-legal cause could result in their financial ruin.

I'm going to ask the witnesses some clear and succinct questions. I would very much appreciate their response, not for me, but for the rest of Canada.

To the witnesses, what specific acts could have or would result in the freezing of a bank account?

🕒 (1450)

[*Français*]

Le greffier: Madame Jacques, vous êtes en sourdine.

[*English*]

Ms. Isabelle Jacques (Assistant Deputy Minister, Financial Sector Policy Branch, Department of Finance): I apologize, Mr. Chair.

What would lead to the freezing of a bank account under the order that came into force on February 15 would be if someone is funding directly or indirectly illegal activities as they are set out in the regulations that came into force. For

example, somebody was giving money to a third party to enable them to participate in the illegal blockades that were occurring on the Hill, that person could be captured.

Mr. Philip Lawrence: Then to be clear, if a passer-by gave an individual a cup of coffee, they could have their bank account frozen?

Ms. Isabelle Jacques: No, not a cup of coffee. We had a process in place...the process had two prongs. The first one was our colleagues in the RCMP had lists of individuals [*Inaudible*] were shared with the financial institutions, so that's one way in which those individuals could be captured. The other one is if a financial institution, using their algorithms, found there were any issues then, further to verification, found out that they were involved in—

Mr. Philip Lawrence: My apologies, I don't mean to be rude, but my time is short.

Just to be clear, a financial contribution either through a crowd-source platform or directly could result in their bank account being frozen?

Ms. Isabelle Jacques: Yes, it could, to the extent—

Mr. Philip Lawrence: They did not have to actively be involved in the protest. They didn't have to be here in Ottawa or at one of the blockades.

Ms. Isabelle Jacques: No, not themselves. It could be indirectly.

Mr. Philip Lawrence: So if someone gave \$20 to the Freedom Convoy through a crowdsourcing platform, they could have their bank account frozen?

Ms. Isabelle Jacques: If that person gave the money after February, 15, it is possible although very unlikely in view of the circumstances, and I say this because the banks, the financial institutions relied heavily on the information that was provided by the RCMP further to their own internal processes and verification. So they take, basically, a risks-based approach. Although it's not impossible that someone who gave \$20 would be captured and have their bank account frozen, I find that scenario...I think it would happen in rare circumstances.

Mr. Philip Lawrence: But it is possible.

Ms. Isabelle Jacques: It is possible.

Mr. Philip Lawrence: So to my mind the order's fairly clear. There are some caveats but it says “for an assembly” and the assemblies have now been disbanded. Have we stopped freezing bank accounts?

🕒 (1455)

Ms. Isabelle Jacques: Yes, we have, and as a matter of fact, yesterday—and I don't know if this information has been shared with the member of the committee and I may want to leave the RCMP to speak to this, I don't know if they're coming before you—they did share a list of which financial institutions and financial institutions are unfreezing accounts as of yesterday. They started yesterday to unfreeze accounts.

Mr. Philip Lawrence: Following up on that, and thank you for sharing that information, if you are an individual and you want your account unfrozen, who do you appeal to, who do you talk to, whether it was frozen by mistake or in accordance with the act?

Ms. Isabelle Jacques: Yes, [*Technical difficulty*] account had been frozen, whether mistakenly but I haven't heard of any such incidents, to contact directly their banks' customer service to do a first verification and if the bank doesn't feel they've had a proper answer, they could reach out to the RCMP to validate some of the information.

The Chair: Thank you. Thank you, MP Lawrence. That's the time.

We are moving to the Liberals and MP Dzerowicz for six minutes, please.

Ms. Julie Dzerowicz (Davenport, Lib.): Thank you so much, Mr. Chair, and I want to thank all the witnesses for being with us today on such short notice, and thank you so much for the important work that you do.

My first question, because I think that for those who are listening we should just establish that when the Emergencies Act was declared and we announced the declaration of a public order emergency under the Emergencies Act and the disruptions, the border blockades and the occupation of Ottawa's downtown core, and under that public order emergency, there were a series of measures around stopping the flow of money that might actually be funding any of these public order measures and events that were taking place across our country.

Perhaps I'll direct this to the Department of Finance. Can you give us a brief rundown of what the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, what it allows for and what gaps it has that the invocation of the Emergencies Act addresses?

Ms. Isabelle Jacques: Yes, Mr. Chair. Thank you for the question.

So we realized that there were gaps in the system as to what our colleague at the Financial Transaction and Report Analysis Centre of Canada, FINTRAC, could capture. We realized that it didn't capture crowdfunding platforms, not all of them, and payment service providers. So when the order came into force, crowdfunding platforms and payment service providers had to register with FINTRAC and report any suspicious transaction to FINTRAC.

This was in order to help mitigate that these platforms received illicit funds and increase the quality and quantity of intelligence received by FINTRAC, and also that allowed to make more information available to support investigations by law enforcement.

Ms. Julie Dzerowicz: Thank you. So just in layperson speak, basically, cryptocurrencies and crowdfunding platforms were not included under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, and so that was what was put into place, in terms of the emergency orders.

Is that correct?

Ms. Isabelle Jacques: Cryptocurrencies were already covered, although what was not covered is the reporting by crowdfunding platforms and payment service providers.

I don't know if my colleague, Julien, may want to add to this question.

Ms. Julie Dzerowicz: Just very quickly.

I don't see him there.

Can you confirm that making these powers permanent cannot be done unilaterally and would require legislation?

Ms. Isabelle Jacques: To make these permanent we have two options. We can do it by way of legislation, which includes regulation. We can make them permanent by way of regulations.

Ms. Julie Dzerowicz: Thank you.

Can you also confirm that the powers are not retroactive and it only began after the Emergencies Act was declared?

Ms. Isabelle Jacques: Yes, I can confirm that it is not retroactive. We received many questions from concerned individuals who thought that it would retroactively apply, but it does not.

Ms. Julie Dzerowicz: Thank you.

We saw reports of truckers leaving the convoy voluntarily after being warned by their insurance companies that their insurance may be suspended. Was this the intent of the program, and do you have any further information on the success of these measures?

Ms. Isabelle Jacques: The intent of the program was to make responsible for, and dissuade people from using money or their vehicle to participate in these illegal blockades.

I do not know if any trucker or individual had their insurance suspended. I think the goal was to ensure that people left on their own volition, firstly.

Ms. Julie Dzerowicz: So you wouldn't know whether there was an influence of the fact that they could lose their insurance?

Ms. Isabelle Jacques: I certainly think it did. A lot of these people that were involved, trucking is their livelihood. To understand that your insurance could be suspended I think would be an incentive to stop the illegal behaviours.

Ms. Julie Dzerowicz: My understanding is that government actually has a limited role in terms of acting. Really it's enabling this information to be shared with financial institutions and RCMP from FINTRAC in order for them to have a role to enforce.

Ms. Isabelle Jacques: I could not hear your question clearly. Would you mind repeating?

Ms. Julie Dzerowicz: With these emergency measures in place, particularly as it relates to what we're currently talking about, the federal government has a limited role in terms of enforcing, it really is enabling RCMP and financial institutions to receive information from FINTRAC in order for them to actually enforce and take action.

Ms. Isabelle Jacques: That is correct. Privacy was of course in the fore and of concern. We want to respect the privacy of individuals and respect the Privacy Act, so the order allowed for information to flow from the RCMP and some institutions directly to the financial institutions, not through the Department of Finance. That is correct.

Ms. Julie Dzerowicz: Thank you so much.

The Chair: Thank you, MP Dzerowicz.

Now we are moving to the Bloc and Mr. Ste-Marie for six minutes.

[Français]

M. Gabriel Ste-Marie (Joliette, BQ): Merci, monsieur le président.

Donc, à mon tour de saluer tous les fonctionnaires qui sont présents. Merci de tous les efforts que vous faites dans ces temps particuliers.

Mes premières questions seront pour le ministère des Finances, donc s'adresseront probablement à Mme Jacques.

Le décret est assez avare de détails sur la mécanique des critères pour le gel des fonds. Quand nous lisons le décret, nous n'avons pas beaucoup de détails. Avez-vous communiqué des détails plus précis aux institutions financières?

Mme Isabelle Jacques: Certainement. Dès que le décret est entré en vigueur, nous avons pris des mesures pour communiquer de façon régulière avec les institutions financières. Certaines de nos discussions ont eu lieu tous les jours pour les aider à mettre en place le décret et à répondre à leurs questions.

M. Gabriel Ste-Marie: Merci.

Donc, vous avez parlé de discussions avec les institutions. Avez-vous transmis des critères sous forme écrite aux institutions financières de façon à ce qu'ils puissent bien appliquer les gels de fonds possibles?

Mme Isabelle Jacques: Non. Nous n'avons pas transmis de détails ou d'information par écrit. Cependant, nous nous sommes rendus disponible pour répondre à toute question que diverses entités avaient concernant la mise en œuvre.

De plus, nous avons travaillé—pas nous, mais indirectement—la GRC a partagé l'information directement avec les institutions pour leur permettre de mettre en place le décret.

M. Gabriel Ste-Marie: D'accord.

L'action gouvernementale en cette matière m'inquiète grandement. Si je comprends, il n'y a pas eu de transmission écrite des critères. Cela a seulement été fait verbalement, ce qui mène à beaucoup d'interprétation possible. On sait que le décret accorde l'humanité aux institutions financières, mais par la suite, si les critères sont transmis que verbalement lors des discussions, cela mène à des interprétations. Cela pose, évidemment, pour moi un problème.

Je vais tenter d'y revenir un peu plus tard.

Je voudrais aborder la question des assurances automobile.

Y a-t-il eu des consignes écrites qui ont été transmises aux assureurs relativement à la question de la suspension de l'assurance automobile?

⌚ (1505)

Mme Isabelle Jacques: Non, aucune consigne écrite n'a été transmise à ces compagnies d'assurance.

M. Gabriel Ste-Marie: Nous avons encore ici, de mon point de vue, un problème au niveau du gouvernement.

Mme Isabelle Jacques: Est-ce que je peux clarifier quelque chose?

M. Gabriel Ste-Marie: Oui, allez-y.

Mme Isabelle Jacques: De la façon dont le décret a été rédigé, évidemment, ce sont les entités qui sont responsables de la mise en œuvre du décret.

Donc, dans les faits, les entités étaient responsables de s'assurer qu'ils se conformaient aux exigences du décret qui ont été mises en place.

Alors, nous avons répondu à leurs questions, nous nous sommes rendus disponibles pour eux et ils ont aussi consulté leur contentieux de façon régulière pour s'assurer qu'ils se conformaient aux exigences du décret qui est en place.

M. Gabriel Ste-Marie: Oui, je comprends bien. Je vous remercie de la précision.

Cela me pose encore un immense problème, car ce qu'il y a dans le décret est flou et c'est sujet à interprétation. Si on n'ajoute pas des consignes claires et précises, il y a des risques de dérapage.

Quelles consignes leur avez-vous données concernant l'assurance, pour que les camionneurs puissent quitter les lieux sans suspendre leurs assurances?

Leur avez-vous suggéré de ne pas suspendre les assurances le temps qu'ils quittent les lieux?

Mme Isabelle Jacques: Nous n'avons rien suggéré, parce que je suis avec le ministère des Finances. L'information a été donnée à nos collègues de la GRC. C'est la GRC qui avait certaines informations à partager avec les entités qui était responsable de la mise en œuvre du décret.

Alors, le ministère des Finances n'a pas fait partie de cet échange d'information.

M. Gabriel Ste-Marie: D'accord, très bien.

Mme Isabelle Jacques: Mais pour revenir aux compagnies d'assurance, à savoir si elles ont eu de l'information, je ne peux pas le valider. Cela leur revenait à elles si les détenteurs d'assurance étaient en bris de leur...

M. Gabriel Ste-Marie: Mon inquiétude est l'application de cela. Pour quitter le convoi, si le camionneur part avec son camion et qu'il n'a plus d'assurance et qu'il cause un accident, alors le décret vient pénaliser les victimes potentielles. Nous, au Québec, nous avons le *no fault* avec la SAAQ, mais en Ontario, ils ne l'ont pas. Avec le décret, on peut venir grandement pénaliser les victimes. C'était un commentaire, j'arrive avec ma question.

Mme Isabelle Jacques: Oui, allez-y.

M. Gabriel Ste-Marie: Justement, au Québec, on a la SAAQ, l'assurance responsabilité des automobilistes est universelle et gouvernementale.

Est-ce que la SAAQ est visée par le décret fédéral?

Mme Isabelle Jacques: La SAAQ n'est pas visée comme telle.

M. Gabriel Ste-Marie: Parce que c'est un assureur.

Mme Isabelle Jacques: Oui. Mais les assureurs visés par le décret devaient prendre des mesures s'ils savaient qu'un véhicule, par exemple, était utilisé aux fins des blocages illicites ou des assemblées qui ont eu lieu. Et donc, si elles avaient l'information, elles devaient suspendre l'assurance des camionneurs. À savoir si c'est arrivé, je ne le sais pas, mais je peux vous dire que c'est évident qu'en partageant l'information il y aurait eu des avis aux camionneurs si l'assurance était suspendue, justement, pour leur permettre de quitter les lieux.

Alors, il y a eu beaucoup de préavis de la part de la GRC envers les camionneurs pour leur dire qu'il était temps de quitter les lieux.

M. Gabriel Ste-Marie: Oui, je comprends bien les menaces, mais comment les assureurs pouvaient-ils savoir qu'ils assuraient un camionneur qui était là? C'est la GRC qui leur a envoyé un message leur demandant de suspendre l'assurance.

Mme Isabelle Jacques: Je ne peux que croire que, s'il y a eu un partage d'information, il serait provenu de la GRC. Toutefois, je préférerais laisser à la GRC la responsabilité de répondre à cette question, puisque le ministère des Finances n'était pas impliqué à cette étape.

M. Gabriel Ste-Marie: Merci.

Le président: Merci, monsieur Ste-Marie.

[English]

Now we're moving to the NDP and MP Blaikie for six minutes.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): Thank you.

Following up along that same line of question, whether it's for insurance companies or for financial institutions more generally, what are the sources of information that they might have had? We know the RCMP is one source of information.

What would be other sources of information under the powers granted that they could action any kind of freezing of accounts or suspension of insurance?

⌚ (1510)

Ms. Isabelle Jacques: Yes, as I was mentioning, it was either as you just mentioned through the RCMP, but they could also use internal information using their software, their algorithm to see whether there were any activities that were related to these blockades, but we're not privy to what they found, and they would vet the information. I'm sure if they had questions, they could have maybe contact with the RCMP and the decision was theirs to make if they wanted to freeze the account.

Mr. Daniel Blaikie: Okay.

When that happens, are people notified that a freezing of an account that's occurred in their case is a consequence of the mandate under the Emergencies Act?

Ms. Isabelle Jacques: I don't know whether the financial institutions advise their clients. I'm not sure if anything was posted, but certainly I believe in the media it was clear that this was a potential impact should somebody want to finance illegal activities.

Mr. Daniel Blaikie: Certainly I do think it was publicly communicated in advance that this could happen, but I mean in the event it does happen, are people told that their account is frozen as a consequence of the emergency orders or are they left to wonder?

What right do people have to know whether what's happening to them is a consequence of emergency orders or whether it's happening under some other kind of authority?

Ms. Isabelle Jacques: I do not know if any such notice was provided, so if somebody's account is suspended, whether because of the order or other reasons, or other court order. As we know the Ontario superior court also issued an order to

freeze accounts. As to whether an individual would know why their account was frozen I do not know if any notices were provided.

I'm not—

Mr. Daniel Blaikie: Okay, so there's no obligation to provide such a notice coming from the government or the emergency orders. If there were, it would be a result of the internal policy of the organization that froze the account or suspended the insurance.

Ms. Isabelle Jacques: That is accurate.

Mr. Daniel Blaikie: Is it possible for government to require financial institutions who have frozen accounts under these authorities to require those institutions to offer such a notice?

Ms. Isabelle Jacques: I presume it could be done legislatively. I may want to turn to my colleague Manuel. I've not done that research. I don't know if there's any more specific answer that Manuel Dussault can provide in this regard.

Mr. Manuel Dussault (Senior Director, Framework Policy, Financial Institutions Division, Financial Sector Policy Branch, Department of Finance): Thank you for your question.

It's an initial reaction. I agree it might be possible, but it's something we'd have to look at.

Mr. Daniel Blaikie: Okay. I think the public interest value in that kind of policy would be that there does seem to be confusion about why some people's accounts were being frozen right now. There's the appearance that some folks feel that their accounts were being frozen as a result of the emergency orders. In some cases, that does not cohere with what we're hearing from government [*Technical difficulty*] requirement that when those accounts are frozen as a consequence of the institution's fulfilling their obligation under the emergency orders, that would help people know, in a crystal-clear way, whether the emergency orders resulted in their account being frozen or whether it was something else.

I do think that's something for us to be considering at the committee and for what I hope that officials might consider taking back to government, because that's one relatively straightforward way that I think we could provide a lot of clarity for Canadians who are wondering.

I am curious to know what the smallest denomination of donation or contribution has resulted in a freezing of an account so far.

Ms. Isabelle Jacques: I would not be able to provide you that answer.

The information was strictly exchanged between law enforcement, the RCMP, and the banks.

Mr. Daniel Blaikie: Is that something that would be reasonable to expect the RCMP to know?

Ms. Isabelle Jacques: If the RCMP exchanged information with the bank, as you saw on section 5 of the order, there was a duty to disclose to the RCMP or CSIS.

I do not know if they have the details of the amounts as I was not privy to the information that was shared. I do not know the answer to that question.

Mr. Daniel Blaikie: Okay.

I'm looking to the chair to know how I'm doing in terms of time.

The Chair: You have just under one minute.

Mr. Daniel Blaikie: Okay.

Therefore, we would be looking to the RCMP for information on how low the threshold is.

It seems to me that there are maybe two elements to the financial measures here. I'm interested for your input on this.

One clearly was, before the streets in Ottawa were cleared this was meant to create a tool to put pressure on people to leave the occupied area and to go home.

Is that the only purpose of the financial measures or is there also some follow-up around some of the organizers, groups, and activities, that may have been involved in that they may represent a more ongoing threat to national security?

Ⓢ (1515)

The Chair: A short answer, please.

Ms. Isabelle Jacques: From my perspective it was solely to ensure that people stopped funding illegal activities.

The Chair: Thank you.

Thank you, MP Blaikie.

We are moving to our second round, members.

In this round we're starting with the Conservatives.

I have MP Chambers up for five minutes.

Mr. Adam Chambers: Thank you very much, Mr. Chair.

Thank you to our witnesses.

Thank you for your answers thus far.

I think my colleagues have asked some excellent questions with respect to process so I would like to continue to focus on process.

Can you provide the committee with a number of how many accounts and individuals have been frozen to date?

Ms. Isabelle Jacques: I can provide you with an aggregate. It would be over 206 accounts but I would not be able to tell you exactly how many entities.

It's possible that one person or one company had more than one account. It's maybe over 206 joining [*Invisible*].

Mr. Adam Chambers: Thank you.

That also confirms the next question.

Could an individual have more than one account affected? It could be a savings account, a chequing account, a mortgage, or additional products, that a financial institution would provide.

Correct?

Ms. Isabelle Jacques: That is accurate.

Mr. Adam Chambers: I've heard some discussion here today but also in the media this notion that the bank, or a financial institution, makes a final determination as to whether an account is frozen. They liaise directly with the RCMP or some other source.

Is that correct?

Ms. Isabelle Jacques: That is correct. Yes.

Mr. Adam Chambers: Okay.

Are you aware of any circumstances where a financial institution has provided evidence from the RCMP or other sources where the bank has not frozen the account?

Ms. Isabelle Jacques: I do not know. We would not receive that information.

Mr. Adam Chambers: Okay.

I'd like to pick up on my colleague, Mr. Blaikie's, line.

Prior to an account being frozen are you aware of an opportunity for an individual to either be notified or to make any representations to the financial institution or law enforcement?

Ms. Isabelle Jacques: No, not to my knowledge. Not under this order.

Mr. Adam Chambers: Okay.

I hope you can help me understand something.

One of the things we've been told about this act is that it complies with the charter.

Ms. Isabelle Jacques: Yes.

Mr. Adam Chambers: Saying something complies with the charter doesn't necessarily make it true; it's in the preamble of the Emergencies Act. For the ability for a financial institution which, by the way, is a third party, to act as the judge and the jury without the opportunity for an individual to make any representation, I'm having a hard time understanding how that is complying with the charter.

Ms. Isabelle Jacques: I understand your question.

I will give a partial answer and then turn to my justice colleague.

This was considered when the order was drafted. That is why you will see, under section 3, duty to determine, what was inserted in the order was an obligation to the financial entities to determine on a continuing basis where they are in possession or control of property that is owned, held, and controlled, by or on behalf of a designated person. That section was inserted specifically for that purpose; to be compliant with the charter and ensure that financial institutions be reviewed on an ongoing basis.

Let's suppose that your bank account was frozen, you were the wrong person, and you were not involved. You, or me, Isabelle Jacques, has the opportunity to go to your institution and say, I'm not involved in illegal activities, I did not finance any activities, and my account was frozen by mistake. You have the opportunity to do that.

⌚ (1520)

Mr. Adam Chambers: Okay, I respect that answer, but we're short on time.

With respect to due process, that is not. Prior to a determination being made having no opportunity for an individual to provide any representation, to me, is a violation of the charter and due process.

The second question would be, has there been any information or direction given to financial institutions about what information and how long they can keep information on file on these individuals?

Ms. Isabelle Jacques: On the information piece, not to my knowledge, but the information was shared for the financial institution to make a determination. On the charter issue—and again I want to turn to my justice colleague—one needs to remember that these are extraordinary measures. They are temporary. In time—

Mr. Adam Chambers: Correct, but I think that—

Ms. Isabelle Jacques: —I apologize—and if the behaviour stops then there is an obligation, upon review, to unfreeze the account.

The Chair: Thank you. That's your time, Mr. Chambers.

We are moving to the Liberals and MP Baker for five minutes, please.

Mr. Yvan Baker (Etobicoke Centre, Lib.): Thank you, Chair.

I'm having some technical difficulties, so if I cut out I apologize, but that's why it would be happening.

[*Inaudible*] from some members that there have been freezes on individual bank accounts for merely donating to or purchasing merchandise for the blockades. The RCMP actually put out a statement, I think in part to clarify this issue. I'll just read it. It's very brief. This was yesterday, "Under the emergency economic measures order of the Emergencies Act, the list that was provided to financial institutions included identities of individuals who were influencers in the illegal protest in Ottawa and owners and/or drivers of vehicles who did not want to leave the area impacted by the process. At no time did we provide a list of donors to financial institutions. We are now working with the banks to build a process to address the accounts that were frozen."

I think that's important to clarify because the RCMP's trying to clarify who are the individuals on that list they've provided to financial institutions. Again, they're saying they're influencers in the illegal protest, and owners and/or drivers of vehicles who did not want to leave the area. It's important because it speaks to the scope of who's on the RCMP's list and therefore who's being targeted by the financial institutions.

My question is, could you clarify when the measures were implemented and whether or not they apply retroactively?

Ms. Isabelle Jacques: Thank you.

The measures were implemented on February 15. They do not apply retroactively.

In going to your example and understanding the information that was shared by the RCMP with the financial institutions, I must admit, based on the knowledge I have, I think it would be unlikely that, certainly someone who gave \$20 three weeks ago or even \$20 post-February 15, I can't imagine, would have been captured by a freeze. It's not impossible, in view of the order. In view of the exchange of information and the focused approach that was taken to stop the illegal funding of these activities, it would appear to be unlikely that this occurred but not impossible.

Mr. Yvan Baker: Could you speak to your earlier answer to a question from another member about the number of accounts that have been frozen? Could you repeat for us how many accounts we're talking about and if you have that information? There have been public reports on this, the amount of money that's involved.

Ms. Isabelle Jacques: Yes, and as you may know that information has flown over time. Now that banks are unfreezing accounts it may not be accurate. I do not have additional information. The numbers must be lower today as we speak, but to my knowledge it's over, I would say, 206 accounts. The total value, the latest number I have, was approximately \$7.8 million.

Mr. Yvan Baker: Okay, so if I took that \$7.8 million and I divided it by the 200 accounts, roughly—and I'm doing this off the top of my head—it sounds like about an average of \$35,000. Am I in the ballpark?

⌚ (1525)

Ms. Isabelle Jacques: Well if you do that math, yes, but I'm unable to tell you individually...we received only total amounts. The Department of Finance did not get...we know that those accounts are personal and commercial accounts, a mixture of the two. One person may have more than one account, so it could be that close to 60, let's say, entities with a certain number of accounts in different products that they have, so I'm not even able to tell you the values.

Mr. Yvan Baker: Understood.

I think I have about 30 seconds left, Ms. Jacques, so I'll just ask you, did banks and financial institutions have the ability to freeze accounts before the Emergencies Act was invoked? If so, under what circumstances?

Ms. Isabelle Jacques: Yes, on an ongoing basis banks certainly can freeze accounts if they are concerned that there's fraud or illegal activities. As you know on an ongoing basis the police, RCMP may be in contact with banks and they take measures, sometimes to protect consumers, to freeze the accounts where they see some abnormal activities in the bank accounts. Also, as we mentioned, there are court orders that are issued by the provincial courts, so it's possible that there were also freezes that occurred independent of the actions under the order.

Mr. Yvan Baker: Thank you.

The Chair: Thank you.

Thank you, MP Baker.

We are moving to the Bloc and Monsieur Ste-Marie for two and a half minutes.

[*Français*]

M. Gabriel Ste-Marie: Merci, monsieur le président.

Madame Jacques, je comprends qu'il n'y a pas eu de directives gouvernementales écrites transmises aux institutions financières pour indiquer ce qui doit être bloqué ou autorisé, mais il n'y a eu que des directives verbales.

Le gouvernement a-t-il transmis des directives, de façon verbale, concernant, par exemple, les comptes conjoints, les pensions alimentaires, le loyer, le chauffage, etc.?

Mme Isabelle Jacques: En fait, il n'y a pas eu de directives écrites. Cependant, il faudrait peut-être poser cette question à la GRC. Je sais qu'ils ont partagé des listes contenant certaines informations, des listes qui ont été partagées, par écrit, avec les institutions financières.

En ce qui a trait aux comptes conjoints, ce serait possible. Il y a eu des questions à savoir que dans le cas d'une personne impliquée dans les blocages illégaux sur la Colline parlementaire, il est très possible que le compte conjoint ait été suspendu.

M. Gabriel Ste-Marie: Merci.

À votre connaissance, est-ce que le gouvernement a pris cet élément en compte, dans le cas d'un compte conjoint qui serait bloqué, il y a une victime qui n'avait pas posé de geste répréhensible?

Mme Isabelle Jacques: Je comprends ce que vous dites et cela peut sembler un peu sévère, mais la punition était simple. Il s'agissait que la personne cesse de participer dans les activités qui étaient prescrites par le décret. Alors, la suspension était rapide.

M. Gabriel Ste-Marie: Merci.

En ce qui a trait aux pensions alimentaires, le gouvernement n'a pas transmis de directives, mais ce serait la GRC qui aurait choisi d'interpréter les directives. Est-ce exact?

Mme Isabelle Jacques: Non, ce n'était pas ce que je voulais dire.

Évidemment, la GRC avait en leur possession des informations concernant les individus ou les entités qui participaient au blocage illégal. Ils ont partagé ces informations avec les banques.

M. Gabriel Ste-Marie: Donc, pour les pensions alimentaires, le gouvernement n'a rien prévu et il a dit « on gèle le compte et la personne ne peut plus verser la pension alimentaire à la mère de l'enfant, par exemple. Le gouvernement n'a pas choisi d'éviter cela avant d'amener le décret.

Mme Isabelle Jacques: Concernant cette situation particulière, nous avons eu des discussions avec les banques, qui ont pu faire preuve de jugement pour s'assurer que ces paiements de pension alimentaire continuent d'aller de l'avant.

M. Gabriel Ste-Marie: Donc, il y a eu une directive non verbale qui a été émise de la part du gouvernement.

Mme Isabelle Jacques: Non pas une directive, mais une discussion, certainement.

M. Gabriel Ste-Marie: D'accord.

Le président: Merci, monsieur Ste-Marie.

[*English*]

We are moving to the NDP and MP Blaikie for two and a half minutes.

Mr. Daniel Blaikie: Madam Jacques, you said a couple of times now, and you can correct me if I'm wrong, but that the accounts were frozen and the goal was to stop participation in the occupation in Ottawa, or on blockades, and when that behaviour ceased the accounts would be unfrozen. Then financial institutions presumably received information from the RCMP and on that basis froze accounts. What's the process for financial institutions knowing whether the behaviour that's the subject of the order has ceased or not?

⌚ (1530)

Ms. Isabelle Jacques: Likewise, the reverse is true.

Again, I should turn to my colleagues from the RCMP. I don't want to misspeak on their behalf.

Information was shared by the RCMP with financial institutions, and we were informed yesterday by financial institutions that they were unfreezing the accounts.

Mr. Daniel Blaikie: At the moment, subject to the time it takes to implement that order, there should be no accounts frozen under the emergency order.

Ms. Isabelle Jacques: I don't know that there are none, unless the financial institution had information different from what was shared by the RCMP. I'm not able to tell you. But I would think that the vast majority of accounts are in the process of being unfrozen, and it's subject to any new information that the RCMP may have. To my knowledge, that's the status of the situation, actually.

Mr. Daniel Blaikie: Are there any other law enforcement agencies that are contacting financial institutions directly with intelligence on whether people are behaving in ways prohibited by the order, whether that's CSIS, local law enforcement in Ottawa or other places where there were blockades?

Ms. Isabelle Jacques: It's certainly possible. It's prescribed by section 6, disclosure of information, for a provincial or territorial institution to disclose information.

I do not know, and I'm not able to tell you, whether there was any communication between those provincial or other institutions with the financial institutions.

Mr. Daniel Blaikie: If law enforcement agencies other than the RCMP were communicating with the financial institutions, is there no obligation to inform the federal government that this kind of reporting has occurred?

Ms. Isabelle Jacques: As you saw under section 5, the entities must disclose without delay to the commissioner of the RCMP. So the information would come back. But I am not privy, again—

Mr. Daniel Blaikie: Your expectation is that this information would be captured in the RCMP reporting.

Ms. Isabelle Jacques: Yes, that is my expectation.

The Chair: Thank you.

That is the time, MP Blaikie.

We are moving to the Conservatives for five minutes.

MP Stewart, you have the floor.

Mr. Jake Stewart (Miramichi—Grand Lake, CPC): Thank you, Mr. Chair.

What we're seeing here is a complete suspension of civil liberties, number one. The Prime Minister often talks about which things are acceptable to him and which things are unacceptable. Obviously every other protest that blocked off a road or a trade route was acceptable, because he didn't follow the money on any of those, whether they were climate crisis protests or any of those ones that he obviously supported. But he's willing to suspend civil liberties, freeze Canadians' lives and put their bank [accounts] on hold right now because single mothers, little old ladies and lots of people in Canada supported this, rightly or wrongly.

Now I want to know something. I thought I heard that it was not retroactive. Are these bank seizures retroactive?

Ms. Isabelle Jacques: Could you be more precise in terms of what you mean by that?

No, the order is not retroactive. They could not use the fact that a person gave \$50 five weeks ago [*Technical difficulty*] freeze the accounts.

Mr. Jake Stewart: What's the first date that somebody donated to this cause?

Ms. Isabelle Jacques: Pardon me? What is the first date that a person donated? I would not have that information.

All I can tell you—

Mr. Jake Stewart: That's interesting. The CRA, the Department of Justice and the Department of Finance were suspending civil liberties, and you don't have the information.

Ms. Isabelle Jacques: No, what I mean is the first effective date of the order was February 15. Financial institutions could not have used information obtained previously to freeze accounts.

I will turn to my colleague—

⊕ (1535)

Mr. Jake Stewart: No, I have another question. There was one individual in my province who donated quite a sum of money, I believe. It was \$75,000, or something like that. If that individual donated that money, let's say, three weeks ago, what happens to that money? Where does it go?

Ms. Isabelle Jacques: I do not know where he donated the money. I don't know which entity he gave the money to. Let's say that it ended up in the financial system and that a bank could freeze the account of the person, if it's a person, or a company, who received the funding, then it would have been frozen if captured. Now that the activities have stopped, it would be unfrozen and remain in the account. It wouldn't go anywhere else. It stays in the account.

Mr. Jake Stewart: My question was, if somebody donated money before February 15, what happens to it?

Ms. Isabelle Jacques: It should be where the person gave it. It shouldn't have been captured.

Mr. Jake Stewart: Where does it go? Does it go back to the person—

Ms. Isabelle Jacques: Where that person gave the money. Who did it give it to?

Mr. Jake Stewart: I have no idea. I just see it in the newspaper. Let's say it was GoFundMe. Let's say somebody made a GoFundMe donation. You can make a donation to GoFundMe from anywhere in the world so long as you have a visa or mastercard or something. That's my understanding.

Let's say somebody made a donation February 7. Where does that money go?

Ms. Isabelle Jacques: If that person gave it to GoFundMe, it went to the GoFundMe fund. As you may know, from the news that I read, they returned the money back to the donors on their own. The actions GoFundMe took were, I believe, their own, as they may not have been comfortable with the ongoing activities. I'm not the expert, and I don't have first-hand information.

I see that colleagues have their hands up.

Mr. Jake Stewart: I have another question though.

Ms. Annie Koutrakis: Point of order, Mr. Chair.

Ms. Lena Metlege Diab (Halifax West, Lib.): Yes, I was going to do that.

The Chair: Pain of order.

Ms. Annie Koutrakis: Sorry to interrupt my honourable colleague.

I'm wondering—

Mr. Jake Stewart: There's no point of order. You're not—

The Chair: Point of order.

Go ahead.

Ms. Annie Koutrakis: I would like to ask the clerk to ask the interpreters if the interpretation is coming through because it's not coming through very clearly on my end.

Mr. Jake Stewart: This is a stall tactic. This is a stall tactic because they don't like the question.

The Chair: Mr. Stewart.

Clerk, if we could ask the interpreters.

Mr. Jake Stewart: Oldest trick in the book, isn't it?

The Clerk: Is Mr. Stewart coming through? Do you need more audio from Mr. Stewart? Is that what I'm getting from the interpreters?

Yes. More audio for Mr. Stewart for the interpreters.

The Chair: If we could slow down the pace, MP Stewart, in terms of the questions—

Mr. Jake Stewart: How much time do I have, Mr. Chair?

The Chair: —maybe just [*Inaudible*] the cross-talk to help the interpreters.

You have right now 22 seconds. I did stop the time.

Mr. Jake Stewart: Thank you.

I wanted to say that the Canadian government gave a settlement to Omar Khadr of \$10.5 million who shot and killed our allies in the United States. Trudeau said that we can't water down Canadian citizenship. A Canadian is a Canadian is a Canadian. Now we're picking—

Mr. Peter Fragiskatos (London North Centre, Lib.): Point of order, Chair.

Ms. Julie Dzerowicz: Point of order.

The Chair: Point of order.

Mr. Peter Fragiskatos: Relevance. There are many instances where one could have called point of order. Our colleague was interrupting the witnesses from answering. I held off because it seemed to have been corrected. This point especially, how it's relevant to the topic at hand really is beyond me.

The Chair: We stick to the emergency measures.

[*Français*]

M. Gabriel Ste-Marie: J'invoque le Règlement, monsieur le président.

Le président: Monsieur Ste-Marie, vous avez la parole.

M. Gabriel Ste-Marie: Je tiens à ajouter mon mot à ce sujet. Depuis quelque temps, certains députés font des rappels au Règlement lors des rencontres pour dire que l'intervention du député qui a la parole est irrecevable. Normalement, tant à la Chambre qu'au Comité, on laisse une assez grande latitude à la personne qui a la parole. Si on ne laisse pas un député faire

deux phrases pour montrer qu'il abordera l'étude en question, on ne sera alors pas capable d'avoir de débat. Monsieur le président, lorsqu'on invoque le Règlement pour dire que l'intervention d'un collègue est irrecevable, je vous demanderais de le laisser parler et de lui donner plus de latitude avant de prendre votre décision à savoir si ce qu'il dit est hors sujet. Cela n'a pas de bon sens qu'on interrompe les débats systématiquement à ce sujet.

⊕ (1540)

Le président: Merci, monsieur le député Ste-Marie.

[English]

I do allow for some leeway. We were well over the time than with Mr. Stewart. I take your point.

We are moving now the the Liberals and MP Chatel for five minutes.

[Français]

Mme Sophie Chatel (Pontiac, Lib.): Merci beaucoup, monsieur le président.

Je remercie aussi les témoins qui sont ici, aujourd'hui. Merci de vos réponses très claires.

Je veux juste m'assurer que j'ai bien compris la question de M. Stewart, qui était très intéressante. Il demandait si les fonds qui ont été envoyés à GoFundMe avaient été attribués avant le 15 février et qu'advient-il de ces fonds. Je pense que la réponse était également très claire. Dans les médias, on a bien vu que GoFundMe allait retourner l'argent aux donateurs. Donc, merci de cette réponse.

Madame Jacques, vous répondez de manière très précise aux questions, ce qui est très apprécié par le Comité. Il a été question de rendre permanentes certaines mesures qui habilite le CANAFE, entre autres, à obtenir certaines informations sur les fournisseurs de services qu'ils utilisent. Cependant, il y avait un vide à certains niveaux dans la Loi sur le recyclage des produits de la criminalité et du financement des activités terroristes.

On sait que les banques et les institutions financières ont déjà l'obligation de faire des déclarations au CANAFE et que ces règlements d'urgence indiquent les plateformes de *Crowdfunding* et leurs fournisseurs de services de paiement doivent maintenant le faire aussi.

Pourriez-vous nous confirmer que si on veut, de manière permanente, combler ce vide juridique qui existait avant, comment cela pourrait-il s'effectuer?

Est-ce que nous pourrions utiliser la voie législative, comme nous l'avons fait depuis l'année 2000, avec cette loi et proposer des amendements pour combler ce vide juridique, qui m'a pris par surprise. Nous l'avons comblé en 2018, je pense, avec la cryptomonnaie, mais maintenant, définitivement, les plateformes de *Crowdfunding* sont utilisées à des fins illégales.

Pourriez-vous me donner votre opinion à cet égard?

Mme Isabelle Jacques: Certainement.

Évidemment, nous avons travaillé étroitement avec nos collègues du ministère de la Justice. Donc, nous pouvons soit le faire par voie législative, combler de façon permanente, ou par règlement. En fait, nous y travaillons en ce moment, justement, pour nous assurer de combler ce manque à gagner, la lacune en ce qui a trait aux plateformes, le financement collectif et les fournisseurs de services de paiement de façon permanente.

Mme Sophie Chatel: Merci beaucoup, madame Jacques.

J'imagine que nous ne sommes pas les seuls dans cette situation. Est-ce qu'il y a des discussions au CANAFE à cet égard?

Mme Isabelle Jacques:

En fait, je sais que vous allez parler à nos collègues du CANAFE jeudi, mais il y a peut-être un collègue en ligne présentement qui pourrait ajouter des commentaires. Par ailleurs, nous participons à ces fameuses réunions et nous veillons à

améliorer les mesures qui sont en place.

Mme Sophie Chatel: Dans les remarques du gouvernement lorsque la Loi sur les mesures d'urgence a été invoquée, la vice-première ministre a aussi souligné que certaines activités n'étaient pas couvertes par la Loi. Alors, c'est encore une fois un peu inquiétant.

Pourriez-vous nous parler un peu plus des lacunes et de ce que nous devons combler à long terme?

Mme Isabelle Jacques: Concernant les lacunes, je pense que c'était l'information qui nous manquait parce que, justement, les plateformes de financement collectif et les fournisseurs de services n'étaient pas inclus, donc ils n'avaient pas à rapporter quoi que ce soit. Alors, nous avons élargi les exigences. Nous croyons qu'il y a aura plus d'information qui sera accessible, mais je pense que nous allons continuer à revoir les mesures qui sont en place pour voir si nous pouvons faire plus. Nous allons travailler de très près avec le CANAFE à cet égard.

Mme Sophie Chatel: Donc, il y a un lien à faire avec le travail qui s'effectue maintenant sur la notion du bénéficiaire ultime *beneficial ownership* parce que nous voulons savoir où vont ces fonds quand ils sont distribués. Quelle est la provenance de ces fonds? Nous sommes très préoccupés de l'ingérence de certains donateurs étrangers.

En fait, cette question pourrait être posée au CANAFE.

⊕ (1545)

Mme Isabelle Jacques: Cette question s'adresse aussi au ministère de l'Industrie, qui est le ministère responsable d'y veiller. Nous travaillons avec eux et c'est certain que cela nous aidera.

Mme Sophie Chatel: Merci.

[English]

The Chair: Thank you, MP Chatel.

We are moving, members, to our third round. In this round we have the Conservatives up for five minutes.

Mr. Philip Lawrence: It is me, correct, Chair?

The Chair: Okay, Mr. Lawrence.

Mr. Philip Lawrence: Yes, I'm ready to go. Thank you very much.

My questions will once again be for the Department of Finance. I want to talk about in the proclamation paragraph (c). In there it gives the government the authorization to regulate property including any crowdfunding or payment processing. Has that been done, or will that be done?

Ms. Isabelle Jacques: I apologize, it has been done via the order but we're also looking at taking measures to do it in a permanent fashion.

Mr. Philip Lawrence: Okay, you would need additional legislation though to do that permanently, correct?

Ms. Isabelle Jacques: Yes, we can do it via legislation and/or regulation.

Mr. Philip Lawrence: Okay, is that ongoing as you're continuing to look to pursue—

Ms. Isabelle Jacques: Yes.

Mr. Philip Lawrence: Okay, thank you.

But the moment that the Emergencies Act is revoked, then that would be completed, right? You have to stop, right?

Ms. Isabelle Jacques: Yes. We have to stop it unless we have other measures in place at that time, yes.

Mr. Philip Lawrence: Then the second part of sub C is to require financial services to determine whether they has position and control of property that belongs to persons in the blockade. That relates to the freezing of bank accounts, if I'm not mistaken.

You said you've stopped giving information to have the banks freeze bank accounts and are in the process of unfreezing them, so that part of the Emergencies Act is no longer required. Am I correct?

Ms. Isabelle Jacques: My understanding is that the RCMP, which is responsible for providing that information, has shared information with the financial sector in that they are unfreezing accounts at the moment.

Mr. Philip Lawrence: Yes.

Ms. Isabelle Jacques: That information was shared by the RCMP yesterday and I guess they will share information on an ongoing basis. I'm not aware of any new information with respected to prohibited activities that may be ongoing.

Mr. Philip Lawrence: Thank you, so based on your information with the assembly's resolving, there is no longer any utilization of that provision and when we look at the processing of the FINTRAC, that should really be done by a separate regulation following a study not just as an ad hoc of an Emergencies Act after a crisis has extended. Would those be fair comments, or would you disagree?

Ms. Isabelle Jacques: On the first part, to my knowledge, to the extent that there are no prohibited activities ongoing, the unfreezing will continue. If there is new information provided by the RCMP, to which I'm not privy, the order is still in effect, so I have no knowledge that freezing is occurring currently, only that accounts are being unfrozen, and if you please —

Mr. Philip Lawrence: Just on that—thank you very much—in accordance with your understanding of the proclamation, if, in fact, at a pipeline there was a gathering or an assembly that was unlawful and sought to interfere with critical infrastructure, which would be a pipeline, the RCMP could submit information to financial institutions and have those bank accounts frozen right now or any time this Emergencies Act is in place. Am I correct?

Ms. Isabelle Jacques: I am not sure that situation would apply.

I don't know if my colleague, Sam from Justice, could help. I was not privy to the creation of the section on critical infrastructure.

⌚ (1550)

Ms. Samantha Maislin Dickson (Assistant Deputy Minister, Public Safety, Defence and Immigration Portfolio, Department of Justice): Thank you very much.

Thank you for the question.

It's not that all assemblies are considered unlawful. It is the criteria that is set out actually in the emergency measures regulations. If you give me a moment to pull those up....the criteria set out there is the serious disruption of the movement of persons or goods or the serious interference with trade, the interference with the functioning of critical infrastructure or the support of the threat or use of acts of serious violence against persons or property. It would be a factual assessment as to whether any assembly that would occur—

Mr. Philip Lawrence: Thank you very much for that. My time is short. Let's say, for example, an environmental activist said they should blow up pipelines. A group has assembled and they acted in a way that was unlawful or in a way to try to attempt to break up...like what happened at the coastal pipeline. Potentially, if there was a group involved, their accounts could be frozen.

The Chair: Give a very short answer, please.

Ms. Samantha Maislin Dickson: I would have to defer to the RCMP in terms of linkages and assessment on that point.

The Chair: Thank you, MP Lawrence.

We are now moving to the Liberals for five minutes, to PS Koutrakis.

Ms. Annie Koutrakis: Thank you, Mr. Chair. It's really nice to be here once again on the finance committee. Thank you to the witnesses for your testimonies. You've given us a lot to think about and very clear answers. It's very much appreciated.

We've talked a lot about the freezing of bank accounts. I'm just curious—it may be you, Ms. Jacques, or it might be the RCMP who's able to provide this information—to know what safeguards are in place to ensure that Canadians not involved in the blockades are not mistakenly targeted by the freezing of bank accounts. Are you aware of any safeguards that are in place?

Ms. Isabelle Jacques: Well, certainly the safeguard that we put in the legislation is this ongoing obligation on financial institutions to review the information they have in their possession. If somebody was, unfortunately, captured, which would seem unlikely but is possible, the person can contact the financial institution and review the information it has. It could be a question of mistaken identity. The bank in question can unfreeze the account based on the information provided. If they need additional information they could approach the RCMP as well.

In view of the way it's been set up, it seems unlikely, in view of the fact that you need to use money and you need proof that it's towards an activity that is prohibited under section 2, I think it gives a very good basis to ensure that consumers are protected.

Ms. Annie Koutrakis: Thank you for that.

I'm also very interested in determining the sources of funding to make sure that we follow the money and that we protect our financial institutions and our democracy. We know that leaked data suggests that nearly 41% of donations made to the convoy through GiveSendGo came from the United States. Do we have a sense of who these donors are? I'm interested to know what types of organizations or individuals from the U.S. are supporting the convoy.

In your opinion, what threats do such large foreign donations pose to our democratic institutions and our national sovereignty?

Ms. Isabelle Jacques: Well, I do not have any information or details as to the.... I read, of course, the newspaper, and understand that there was a certain amount of money coming from other countries. I do not have those numbers.

Certainly, to the extent that money entered the Canadian financial sector's systems, it would be captured under the order. If it was used and provided after the order came into force, that money could be seized.

As for your broader question, in view of the fact that I don't have the information, I'm not able to assess to what extent it has an impact on the democracy.

Ms. Annie Koutrakis: I was wondering, Ms. Jacques, earlier, to my colleague Mr. Chambers's question with regard to GoFundMe and once the Emergencies Act went into effect on February 15, you said that all the money was returned before the Emergencies Act was declared. I know that GoFundMe was suspended as a fundraiser before the Emergencies Act was declared. I'm not sure if the funds were automatically sent back before. I just was wondering if you can clarify that point for us.

⊕ (1555)

Ms. Isabelle Jacques: Yes, I should clarify it. [*Inaudible*] in the newspaper. I know that what was reported was that GoFundMe decided to stop taking additional funds and that it returned the money to the original senders in that fund. All of this activity occurred prior to the order being in effect.

Ms. Annie Koutrakis: Okay.

The last thing, if I have time, Mr. Chair, my colleague MP Dzerowicz has said that in order to make some of these changes permanent it would have to be legislated, and you agreed to that effect. I'm just wondering, would making these powers permanent have any impact on the ability for Canadians to legally donate money through crowdfunding platforms in the future?

Ms. Isabelle Jacques: No, not at all.

The permanent measures that we intend to take are with respect to FINTRAC, and particularly, with respect to the platforms and the payment service providers. It's not the part where we put, in effect, measures to seize and suspend

accounts.

The Chair: Thank you.

That is your time.

Thank you, Ms. Koutrakis.

Ms. Annie Koutrakis: Thank you.

The Chair: We will now move to the Bloc for two and a half minutes with MP Ste-Marie.

[*Français*]

M. Gabriel Ste-Marie: Merci, monsieur le président.

Ma question sera pour le ministère de la Justice, ce qui permettra à Mme Jacques de souffler un peu!

J'aimerais savoir si vous êtes en accord avec l'affirmation suivante.

Le 10 février dernier, cinq jours avant l'entrée en vigueur des décrets d'urgence, l'Ontario a obtenu une ordonnance du tribunal pour geler les deux principaux comptes de sociofinancement des convois sur la plateforme GiveSendGo. L'ordonnance a été accordée en application des lois habituelles et elle a été exécutée en vertu des accords normaux de coopération Canada-États-Unis en matière de criminalité financière.

Êtes-vous d'accord avec cela?

Mme Samantha Maislin Dickson: Oui, la procédure a été menée en vertu d'une disposition sous le Code criminel du Canada.

M. Gabriel Ste-Marie: Très bien, merci.

Ce que j'en comprends est que le décret, la loi d'urgence ne vient pas ici combler un vide juridique. Il y avait déjà quelque chose.

Maintenant, j'aimerais rappeler que pour les plateformes de sociofinancement, les régulateurs des valeurs mobilières des provinces, au Québec c'est l'Autorité des marchés financiers, les considèrent déjà comme des intermédiaires financiers qui sont soumis aux lois québécoises. À mon avis, le vide n'est pas juridique, mais il peut être administratif le temps que les régulateurs s'habituent à ces nouvelles façons de faire.

Encore une fois, j'aimerais avoir l'avis de Mme Maislin Dickson à savoir si le ministère de la Justice est en accord avec cela.

Mme Samantha Maislin Dickson: Si je peux revenir un instant à votre première question, désolée j'y vais rapidement.

Dans la mesure où il y avait un vide à combler, les fonds qui ont été gelés ce ne sont pas tous les fonds qui avaient été donnés pour les fins des protestations illégales ou des assemblées illégales.

Pour la deuxième question, je m'en remettrais à Mme Jacques sur la question du vide administrative versus celui qui est juridique.

M. Gabriel Ste-Marie: Oui, allez-y.

Mme Isabelle Jacques: En tant que gouvernement fédéral, on regardait s'il y avait un vide pour le CANAFE. On a cherché à combler ce vide pour s'assurer que les diverses entités soient obligées de rapporter certaines transactions qui n'étaient pas couvertes dans le passé.

M. Gabriel Ste-Marie: Oui, c'est très clair, merci beaucoup.

C'était couvert au point de vue juridique, au point de vue des provinces et des régulateurs des valeurs mobilières. Et du point de vue du gouvernement fédéral, il n'y avait pas de couverture parce que ce n'était pas fédéral.

Très bien, merci.

Mme Isabelle Jacques: Je ne suis pas au courant de ce qui se passe du point de vue du provincial à cet égard, mais je me fie à votre parole.

M. Gabriel Ste-Marie: C'est de juridiction provinciale.

Merci.

[English]

The Chair: Thank you, MP Ste-Marie.

We are moving to MP Blaikie for two and a half minutes, please.

Mr. Daniel Blaikie: I think there are Canadians who are concerned about their support for other political causes and demonstrations being captured under these emergency measures notwithstanding that these are meant to be applied in a prescribed, limited timeframe and with respect to one particular event which is the illegal occupation of Ottawa and sympathetic blockades at border crossings.

One safeguard that might provide some reassurance to those folks is the February 15 date where any contributions prior to February 15 are not covered.

What other reassurances do Canadians who are concerned that their support of other political causes might implicate them in measures coming under these emergency orders?

What other reassurances do they have that this doesn't provide law enforcement an opportunity to implicate them in these measures?

🕒 (1600)

Ms. Isabelle Jacques: As you mentioned I think that the situation was prescribed and you have to fall under the definition of a designated person and activities that are prohibited by section 2 to section 5.

Of course, if people want to donate for various purposes they wouldn't be captured by this extraordinary measures.

Mr. Daniel Blaikie: If it were the case that government required financial institutions send a letter in the event that an account is frozen, highlighting that the freezing of that account is related to these emergency measures then the absence of such a letter would be something that might provide additional comfort to Canadians who are concerned that an account freezing might be connected to these measures. Is that fair to say, that if there were a notification protocol that might help put people's mind at ease?

Ms. Isabelle Jacques: It's possible that it would, but it's certainly not what is prescribed by the current order.

Mr. Daniel Blaikie: Thank you for that. That was my line of questing.

Partly what I'm driving at, I'm thinking about what recommendations we as a committee can make in order to try to address some of the very legitimate concerns Canadians have, not just about overreach inherent in the use of the act itself, but overreach beyond what is prescribed within these orders. I think that's an important component of our oversight work as a parliamentary committee, to try to provide recommendations for how those legitimate concerns can be addressed, which is why I keep coming back to the idea of some kind of notification so that Canadians can know that if they did have an account frozen that they would know if it were under the authority of this order or not. If not, then they know it's not a resolve of this order. If so, they have a document that they can use to try to seek remedies in the case that remedies are warranted.

The Chair: Thank you, MP Blaikie.

We are moving now to the Conservatives. On my list I have MP Lawrence.

I'm not sure if, MP Lawrence, you're up again, but I have five minutes for the Conservatives.

Mr. Philip Lawrence: Sure. I'm good to go again.

Did MP Chambers what to go? I see him on screen.

Mr. Adam Chambers: I can go, Phil.

Mr. Philip Lawrence: If you want to go, go ahead.

Mr. Adam Chambers: Thank you. I recognize that cuts into my time.

I'd like to pick up on the line of my NPD colleague, who I think makes some excellent points about providing some comfort to Canadians but also some recommendations. We are making precedent with what's happening right now. I worry when we reference political motives as a basis for some of the actions that are being taken. I think future governments may not be as benevolent, and we should think about that as future governments maybe have different political leanings. I'm very interested in considering the actions we make now and applying them to the future.

As a Conservative, I'm all for outsourcing or considering outsourcing parts of government actions, but we are looking at outsourcing parts of the judicial system with zero recourse for individuals before actions are taken. I fully recognize and appreciate that these issues were contemplated in terms of violations of the charter, but can I get an answer on, if there was a clear violation of section eight of the charter, will there be an undertaking to provide this committee with the judicial opinion under which supported the decision to enact this process?

🕒 (1605)

Ms. Samantha Maislin Dickson: I can take that question.

[*Technical difficulty*] this isn't a statute where normal charter statements are made. These are indeed regulations made pursuant to the Emergencies Act. No legal opinion would be forthcoming in normal circumstances. The measures put in place have been tailored to limit any impact. We all understand that the rights are protected, but no right is protected. There is a possibility to reasonably limit that right. That limit has to be proportional to the objective that we are trying to achieve.

In drafting the legislation, what was put in place to deal with the really unprecedented events that we were living here in Canada, that is the assessment that was done.

Mr. Adam Chambers: No judicial opinion will be forthcoming, but I hope you will have an opinion because this is going to be before the courts. I hope that we've thought through this when we say that the charter is applicable, but it seems like there's a bit of a circular argument happening here that it is applicable but it's not really because there are some limits, but that's in the charter.

I can respect that there are gaps in the current system and emergency powers fill those gaps. I am concerned about emergency powers continuing to be invoked for an indefinite period of time until those gaps are settled. Can we expect regulations forthcoming that are going to fill these gaps and can we expect emergency powers to be invoked until that time?

Ms. Samantha Maislin Dickson: Perhaps I'll start.

I attended a briefing yesterday where Ministers Mendicino and Lametti were briefing the Senate. The communication at that point in time was that the assessment of whether the Emergencies Act and the regulations and order made under it continue to be necessary. That assessment is being done on an hourly basis is what I heard, so—

Mr. Adam Chambers: That's good. Thank you so much.

Mr. Chair, with my remaining time, based on the testimony we've heard I have a motion I'll put to the floor. I have circulated it to some individuals.

It reads as follows, “That, for as long as the Emergencies Act financial requirements are in place, all federal departments and agencies provide a weekly report to this committee for the total number of persons and accounts, indicating the type of account and ownership of the account they have flagged or requested be frozen by regulated financial institutions, broken down by department and agency; that all federally regulated financial agencies provide a similar weekly report of the total number of persons and accounts that have been frozen using the Emergencies Act powers.”

I will forward this to the clerk for consideration. I would further note that we're looking at the gross and net accounts affected. Every week it could be 200, but it could be 200 people every week. I would hope this is something this committee

could consider.

Thank you very much.

The Chair: Thank you, MP Chambers.

Now we're moving to the Liberals and PS Fragiskatos for five minutes. Then after PS Fragiskatos concludes, we are going to suspend for five minutes, as we are in a three-hour session, to give everybody an opportunity to have a bio break or to stretch their legs. Thank you.

Mr. Philip Lawrence: I have a point of order, Chair.

The Chair: Yes, a point of order.

Mr. Philip Lawrence: I believe a motion was moved, and so I believe we have to debate that.

The Chair: It was not moved. No motion was moved.

MP Fragiskatos has the floor.

Mr. Daniel Blaikie: Just on that same point of order, if I may, Mr. Chair, can we just hear from Mr. Chambers to that effect? I took his intervention to mean to move the motion.

The Chair: I did not hear that.

Mr. Daniel Blaikie: I'd appreciate some clarification from him.

Mr. Adam Chambers: Thank you, Mr. Blaikie. Thank you, Mr. Chair.

Mr. Chair, it was my intention to put that motion to the floor. I hope it would be something we could deal with expeditiously. I would be willing, if you want, to have a break and discuss it. It is on the floor. If we want to have the break now I'd be happy to do that, but I would hope we could deal with that motion, perhaps by unanimous consent.

Mr. Peter Fragiskatos: Chair, if I could....

Ms. Julie Dzerowicz: We had our hands up.

Mr. Peter Fragiskatos: Oh, sorry, Julie. I can't see the hands up on my end.

Ms. Julie Dzerowicz: That's okay.

Mr. Chair, you're on mute.

The Chair: MP Dzerowicz, I apologize. Yes, I could not see the members. My apologies. Technology....

🕒 (1610)

Ms. Julie Dzerowicz: That's okay. I think Sophie was before me. I don't mind if she has a comment before I do.

Mrs. Sophie Chatel: No, no. Actually, you were first, Julie.

Ms. Julie Dzerowicz: Mr. Chair, I welcome either our taking the break right now, since at least I haven't seen the motion so I'd love to see it before we actually discuss it, or move this to the end since this is an outstanding and excellent conversation, if that is amenable. Either after the break we start it or at the very end.

My preference is at the very end because I think we're actually getting through a lot of information. I'm okay to discuss this at the end if Mr. Chambers is amenable. Even in the last 15 minutes I'm happy to do it.

The Chair: Thank you, MP Dzerowicz.

MP Chambers.

Mr. Adam Chambers: I would be open to that. If I could get clarification that since this motion is considered to be on the floor it will be voted upon before the end of the meeting, then I would be more than happy to move this to the last 15 minutes of the meeting.

The Chair: Are there any other hands up, Clerk?

Madame Chatel.

Mrs. Sophie Chatel: Thank you, Mr. Chair. Just to echo my colleague, I would like to read it before. Mr. Chambers went very fast. I assume we don't have it in French. That's okay, but I would like to have a bit of time to read it. Thank you.

The Chair: Are there any other hands up?

Mr. Peter Fragiskatos: Yes, Chair, from the floor, here in Ottawa.

The Chair: Yes, Mr. Fragiskatos.

Mr. Peter Fragiskatos: Thank you.

If I could suggest, then, if we are in fact going to leave this motion until the last 15 minutes, if we could have a break right before that so all members have looked at it, have discussed it, that would be helpful as well. It doesn't have to be very long.

The Chair: I was on mute, my apologies.

Is the clerk again on the floor, or can you see any other hands up?

The Clerk: There are no more hands up, sir.

The Chair: Okay, so it's about taking a break to have the members take a look at the motion, have a bio-break as well, as I believe to have the motion in French, is what we are looking for. I'm just going to see how the members...if you can just scan the room with Zoom, clerk, please.

The Clerk: There's Ms. Dzerowicz.

The Chair: MP Dzerowicz.

Mr. Adam Chambers: Mr. Chair, just to confirm, it is in French. I have sent it to the clerk. I've also sent it to my colleagues, Mr. Fragiskatos, as well as Ms. Chatel and I believe Ms. Dzerowicz would also have it in her **Irre** account as well.

As I said, I don't know the rules here, so just looking for clarification. This motion is on the floor. Would definitely agree to putting it at the end of the meeting, subject to confirmation that a vote would be held on this motion during this meeting.

If my colleagues can agree to that, I would be more than happy to—

The Chair: Discussion?

Yes. I cannot see you, but if...

The Clerk: Ms. Dzerowicz.

The Chair: MP Dzerowicz, and I apologize.

Ms. Julie Dzerowicz: It's okay, I've given you double-peace Mr. Chair.

Just a couple of comments. One is, I think what we're agreeing is, because we're at half time, we're having a five-minute break, then we're coming back and hopefully we'll continue the discussion because we're getting excellent information. Then we'll stop at 15 minutes prior to the end, and I think we were going to take a five-minute break at that point to sort of just pause to sort of make sure we're all on track with the motion within ourselves and have reviewed it. Then I think we're going to come back and debate it until there is a vote.

I'm in agreement with that, and I hope that is good for everyone else.

The Chair: Thank you for encapsulating everything, MP Dzerowicz.

MP Chambers.

Mr. Adam Chambers: In the interest of compromise, I would agree to the five-minute break now, but I wouldn't recommend that we have an additional five-minute break at the end of the meeting, but I think we could do the five-minute break now. I'd like to save some time in case there is some discussion that we need about this motion. I am open to amendments, but I would like to make sure that we get this dealt with expeditiously.

🕒 (1615)

The Chair: Any other discussion? Any hands?

The Clerk: Ms. Chatel.

The Chair: MP Chatel.

Mrs. Sophie Chatel: Mr. Chair, yes, I think just welcoming the spirit of compromise in amendments, and thank you again for the wonderful translation, thank you, I received it in both French and English.

[*Français*]

Le président: Merci, madame Chatel.

[*English*]

Clerk, again I look to you.

The Clerk: There are no more hands up.

The Chair: No more hands up, okay, so we will suspend at this time. We'll take five minutes or so and we'll see the members back in about five-ish minutes. Thank you.

🕒

🕒

🕒 (1625)

The Chair: I call this meeting back to order.

Members [*Technical difficulty*] the motion at about 5:15 witnesses today, and I have Mr. Fragiskatos up now for five minutes.

Mr. Peter Fragiskatos: Thank you very much, Mr. Chair.

Thank you to the witnesses.

Before I ask my questions, it is important to put where we're at in a general context, Mr. Chair.

My colleague, Mr. Chambers, just spoke and I don't know him very well. Actually I don't know him at all but he has a very good reputation on our side of the bench. He is seen as someone who is reasonable and thoughtful. In the few committee meetings in which I have participated he has been just that, but I'm going to have to disagree with one of the things he said, and it's a pretty serious thing to disagree on. That is the motives of the government. When he just spoke he talked about the government acting here based on political motives rather than substantive concerns about the security of the country and the residents of Ottawa.

What we've seen in the past few weeks should be horrific to all of us. I hope it is, but for some reason I think when I look across the aisle sometimes maybe it is not. That's a deep concern. When you have an entire city, the capital city of this country, no less, that's been laid under siege with neighbourhoods blocked off, people unable to get to work, seniors unable

to get groceries, families unable to take their kids to school and unable to get to work themselves, that is an enormous concern.

When our borders are blockaded, that is a serious concern also about the sovereignty and security of the country at large, not to mention the fact that the organizers of this convoy were calling for no less than the overthrow of a democratically elected government.

Each of those points relates directly to the act because their existence indicates that the invocation of the Emergencies Act was indeed just and was indeed the right thing to do. This is a public order emergency and I would hope that if we're going to disagree on things, as we naturally will, I would hope that we agree on the security of the country and the need to do anything and everything we can to ensure that convoy organizers like Pat King, for example, are not allowed to set the narrative on this. I still think that there are colleagues across the aisle in the Conservative Party—maybe we can find a way to agree. Maybe we can find a way to realize moderation and work with them even if there is clear disagreement on this—

Mr. Philip Lawrence: On a point of order, Chair.

Mr. Peter Fragiskatos: That was the last point, Phil, if you want to raise a point of order, you can.

The Chair: On a point of order.

Mr. Philip Lawrence: This member has several times pointed out relevance and I really do wonder when his soliloquy had anything to do with the financial matters respecting the Emergencies Act.

He's completed so—

Mr. Peter Fragiskatos: It's not a soliloquy to raise these concerns about the security of the country.

In any case I do want to ask the officials, and I will ask the Department of Finance and Justice, as we know, the Emergencies Act takes very seriously the Charter of Rights and Freedoms. In fact, the charter still reigns supreme. It's still the supreme law of the land.

I just want to know from finance officials and justice officials what that means in terms of their interpretation of the act, in terms of their work in their departments. Where does the charter fit and how does it all work? How does it come together in the end to work as just that, the supreme law even when we haven't invoked the Emergencies Act?

Go ahead.

Ms. Samantha Maislin Dickson: Perhaps I might start, and my colleague, Isabelle, can follow up.

The War Measures Act which was in place and was replaced by an Emergencies Act didn't contain the express provision indicating that the Charter of Rights and Freedoms applies notwithstanding the invocation of an emergency but as we all know, the Charter of Rights and Freedoms applies to all governmental action from the creation of statutes, regulations, all the way through to its implementation, and so the assessment of whether a governmental action complies with the Charter of Rights and Freedoms is an ongoing daily occurrence, I would offer, for all government officials.

The Emergencies Act makes it explicit because of its predecessor but it doesn't actually change how we do business, and so all of the measures throughout both the Emergency Measures Regulations and the Emergency Economic Measures Order were drafted with the Charter of Rights and Freedoms in mind and to the extent any right has been limited in any way it was done with respect to either the section 7 analysis or with respect to section 1 and the proportionality to achieve the objective that was sought to deal with the unprecedented events.

🕒 (1630)

The Chair: Thank you, and thank you, MP Fragiskatos.

We are moving to our fourth round. I've got the Conservatives up. I do have MP Chambers. I'm not sure if that is still the same list, but MP Chambers is up for five minutes.

Mr. Adam Chambers: Mr. Chair, I'll pass my time to Mr. Stewart, if he has questions. If not, why don't I ask one and I can split my time with Mr. Stewart, if he's ready.

This is a question for justice officials. Are there other laws and statutes that allow for the bank accounts of individuals to be frozen?

Ms. Samantha Maislin Dickson: I believe the statute administered by FINTRAC would allow some freezing but I will offer to pass the floor to my colleague Isabelle in the financial sector.

Ms. Isabelle Jacques: No, the FINTRAC legislation does not allow for the freezing but on an ongoing basis, as you may know, police forces doing investigation when there are illegal activities certainly deal with financial institutions, and accounts are frozen on an ongoing basis if there are irregularities, fraud, theft.

Mr. Adam Chambers: Okay, on perhaps a finer point, there are other avenues through which individuals may have their accounts frozen, correct?

Ms. Isabelle Jacques: Currently yes, that is correct. There are other avenues, but not that would cover the specific events that required the Emergencies Act to be activated.

Mr. Adam Chambers: Okay, I mean the provincial government had accounts frozen without using the emergency measures act (

Is it the judicial opinion of the individuals here or the government that there was no other way to freeze an individual's account other than invoking the Emergencies Act?

Ms. Isabelle Jacques: I will leave Samantha to speak to the legal views, but certainly it's not that we the federal government thought there was no other avenue to freeze the accounts. There were no other avenues to freeze the accounts in view of the current illegal blockades that were ongoing and the fact that we had to take extreme measures to freeze the accounts to basically discourage people [*Technical difficulty*] fund illegal activities.

Mr. Adam Chambers: That's an interesting answer. I hope we'll get some clarity on that. I suspect we will. One of the issues with the Emergencies Act is that there are no other avenues the government could have taken, so that's an interesting response.

I will yield my time to my colleague, Mr. Lawrence for the remainder.

Mr. Philip Lawrence: Thank you very much.

I wanted to get some clarity so Canadians can understand. I can't be the only MP—in fact, I know in our caucus it's almost throughout—who received many phone calls and many emails from very concerned and scared Canadians. If we can provide some clarity....

You've already filled in some spaces, and I want to fill in the rest. If in fact you supported the convoy or you were present at the protest from February 15 to February 22, there is a possibility your account could be frozen, but if you made a financial support or any other type of support or were even present at the protest in Ottawa before the 15th, your bank accounts shouldn't be frozen. Is that correct?

🕒 (1635)

Ms. Isabelle Jacques: Prior to February 15th, they should not have been frozen. That is correct.

Mr. Philip Lawrence: It's really just individuals who supported or were present in the Ottawa protest between February 15 and February 22 who should be concerned.

Ms. Isabelle Jacques: Those were the ones who were involved in those activities that are prohibited by section 2 of the regulation, that is correct.

Mr. Philip Lawrence: Because we've stopped freezing bank accounts, anyone whose account has not been frozen, we can say that it will not be. Is that correct?

Ms. Isabelle Jacques: It will not be frozen to the extent that they do not start funding other illegal activities that are prohibited by sections 2 to 5 of the Emergency Measures Regulation.

Mr. Philip Lawrence: To your knowledge, are there any of those activities going on right now?

Ms. Isabelle Jacques: Not to my knowledge but I believe the RCMP would be better placed than me to have that information. I do not.

Mr. Philip Lawrence: I just want to follow up with my comments for Mr. Blaikie. Is there anything stopping you from asking the financial institutions to send notices out to people who have had their accounts frozen [*Inaudible*]? Because I don't believe there is. I'm aware I don't think there's anything asking them because I can't tell you how many Canadians...I had an 80-year-old gentleman call me and say, "I'm not sure if I'm going to be able to eat tomorrow because my account might be frozen because I gave \$50 bucks to the convoy when it was legal."

They're terrified out there. There's got to be something you and your department can do to alleviate this fear.

The Chair: Very short answer, please.

Ms. Isabelle Jacques: I think it's certainly something that we should consider. Thank you for offering that suggestion.

The Chair: Thank you, MP Lawrence. That's time and we are moving to the Liberals and MP Dzerowicz for five minutes.

Ms. Julie Dzerowicz: Thank you so much, Mr. Chair, and I want to thank all the witnesses for their longevity and for being so patient in answering all of our questions.

I think it's important to just dispel a couple of things. I believe that one of my Conservative colleagues earlier said that there was a complete suspension of civil liberties, and so I just want to make sure that everybody's very clear that the enactment of the Emergencies Act requires that the actions undertaken under our public order emergency be charter-compliant every step of the way and we have had that confirmed at this meeting.

I think there has also been the notion—and I think Mr. Lawrence was a little bit on this track—that little old ladies and the general public are being impacted in terms of their accounts being frozen, and I just want to make sure that I read into the record something from an article that the Globe and Mail had written. It said,

The RCMP banking sector and federal government said Monday that account-freezing powers bestowed under the Emergencies Act to help authorities deal with the convoy protests do not affect donors to the protest, despite unsubstantiated claims by Conservative MPs that a constituent had her bank account frozen over a \$50 contribution. "At no time did we provide a list of donors to financial institutions," the RCMP said in a statement Monday. The agency said that while they had sent financial institutions a list of accounts to monitor and freeze, those accounts belonged to individuals and companies suspected of involvement in illegal acts such as influencers in the illegal protest in Ottawa and vehicle owners and drivers who did not want to leave the area impacted by the protests.

I just want to make sure that we have that on record. I do not want anybody out there being terrified that their accounts are about to be frozen or that there are all these Canadians who have their accounts frozen willy nilly. So it's important to put that on the record.

I also think it's important to state the following. This is from a speech by our Deputy Prime Minister and Minister of Finance. She had indicated that federal government institutions will have new broad authority to share relevant information with banks and other financial service providers to ensure that we can all work together to put a stop to the funding of these illegal blockades. This is about following the money. This is about stopping the financing of these illegal blockades, and today, she says, we are serving notice. She says the Canadian economy needs them—they being all of those who were involved in the blockade—to be doing legitimate work, not to be illegally making us all poorer.

We also heard excellent responses from Ms. Jacques today who clarified that we did have gaps in terms of the fact that FINTRAC and the RCMP were not able to collect data from both the crowdfunding platforms as well as the cryptocurrencies. We have also indicated that we're going to be introducing legislation to make this permanent. We've also heard that the federal government is not personally collecting the data. It is that we've enabled that information to actually go directly to financial institutions and the RCMP for them to take action. So I just wanted to make sure that we put that all on record. It's important for us all to be clear about where we are at.

So my first question actually falls along the lines of Mr. Fragiskatos' after his soliloquy when he talked about confirming the compliance of the Emergencies Act and the public order emergency with the charter. I wonder if I could have Ms.

Dickson talk to the other key difference which is that there are accountability measures that the Emergencies Act imposes and can you maybe describe some of these, please?

🕒 (1640)

Ms. Samantha Maislin Dickson: Absolutely.

Thank you very much.

Specifically with respect to the order and the regulations, themselves, the Emergencies Act provides that members of both Houses of Parliament can actually move motions forward. To the extent there was a desire to see amendments made, that is a possibility that is enabled by the act, itself.

Further, there's a parliamentary review committee that is established and has some timelines to do certain things. I won't take up your time with the specifics. It is set out in section 62 of the Emergencies Act, itself.

Finally, when the emergency is revoked or expired, there is an inquiry that needs to be put in place to look into the circumstances that led to the emergency being declared and the response.

The Chair: Thank you, MP Dzerowicz. That's the time.

We are moving now to the Bloc and to Monsieur Ste-Marie, for two and a half minutes.

[*Français*]

M. Gabriel Ste-Marie: Merci, monsieur le président.

Mes questions seront pour le ministère de la Justice, Mme Maislin Dickson ou collègues.

Nous avons le Code criminel et la Loi sur le recyclage des produits de la criminalité et le financement des activités terroristes qui vise à contrer le blanchiment d'argent et le financement du crime. Les lois ordinaires interdisent la fraude financière, le blanchiment de sommes mal acquises ou encore le financement d'activités criminelles.

À votre avis, les lois ordinaires permettent-elles d'empêcher le financement direct ou indirect d'une activité illégale?

Mme Samantha Maislin Dickson: C'est que le Règlement, qui a été mis en place, vient préciser ce qui est entendu par une assemblée illégale qui serait considérée de nature criminelle.

Donc dans la mesure où on apporte cette précision, le lien avec les offenses qui s'y rattachent a été mis très clair pour les Canadiens.

M. Gabriel Ste-Marie: Ce que vous me dites, c'est que les règles en place, les règlements municipaux, le Code criminel, le Code de la route ne reconnaissent pas l'occupation, le siège à Ottawa comme une activité criminelle. C'est bien ce que vous me dites.

Mme Samantha Maislin Dickson: Désolée, ce n'est pas ce que je vous ai dit. J'ai précisé qu'il y avait de la spécificité qui a été apportée à ce qui serait considéré d'une assemblée illégale avec des critères très définis qui sont prévus à l'article 2 du Règlement.

M. Gabriel Ste-Marie: De l'avis du ministère de la Justice, avec les lois ordinaires était-il possible d'indiquer que le siège à Ottawa fût une activité criminelle?

Mme Samantha Maislin Dickson: Il y avait des éléments, j'en suis certaine, mais au moment où la déclaration a eu lieu, le gouvernement a regardé ce qui était devant eux et a pris les mesures nécessaires pour y mettre fin.

M. Gabriel Ste-Marie: Je repose ma question.

Avant le 15 février, le siège à Ottawa ne pouvait pas être perçu comme étant une activité illégale.

Mme Samantha Maislin Dickson: Les mesures nécessaires pour y mettre fin n'avaient pas été prises. Donc les mesures d'urgence qui ont été mises en place ont été jugées nécessaires.

M. Gabriel Ste-Marie: Oui, mais je sens qu'on essaye d'esquiver la question.

Le siège à Ottawa, avec les régimes de lois ordinaires, peut-il être perçu comme étant une activité criminelle, illégale, oui ou non?

🕒 (1645)

[English]

The Chair: Give a short answer, please.

[Français]

Mme Samantha Maislin Dickson: Il y avait certes des éléments qui s'y rattachaient à la criminalité.

M. Gabriel Ste-Marie: Très bien, merci beaucoup.

[English]

The Chair: Thank you.

That's the time, MP Ste-Marie.

We will move to the NDP.

MP Blaikie, for two and a half minutes.

Mr. Daniel Blaikie: Thank you.

We know that a number of donor names were revealed, due to an anonymous hack, and posted online. Would that be sufficient, under the order, for financial institutions, if they received that information, or if staff of a financial institution saw those names leaked? Would that be sufficient, under the order, to create a duty for them to freeze accounts or not? I guess that is the question. Would they have to consult law enforcement first in order to get an adequate determination as to whether people were actively supporting the convoy, beyond the content of the hack?

Ms. Isabelle Jacques: I must admit that I'm not aware of the release of the hack that you're referring to.

What I can tell you is that financial institutions were very concerned about ensuring they take the proper steps to satisfy themselves that the people, if they took the decision to freeze their accounts, would be designated persons in that they were involved in illegal activities. Just on the face of the names, I doubt, but I cannot speak for them, that they would take action. I think they would need to satisfy themselves. Again, I'm sure they would consult their legal team to ensure they meet the requirement of the order prior to taking action.

Mr. Daniel Blaikie: Has there been any direction or counsel given by government to financial institutions as to what kind of information they can or should retain, or whether they should destroy information or how they should treat people on a go-forward basis after the resolution of the emergency that precipitated the use of the act?

Ms. Isabelle Jacques: I've not had such discussions. The information I was provided pursuant to the order was prescribed by the order. Information was shared between maybe law enforcement and the financial entities, and I'm sure they will advise in accordance with laws that are in place with respect to retention of any information they may have.

Mr. Daniel Blaikie: Can I get your opinion, both as to whether it's possible and whether it's advisable for government to issue any such direction, including whether there'd be some legislative action required to give a clear expectation to financial institutions as to how they should treat the information they may have received from law enforcement or elsewhere and what they should do with information on people's files so it would not affect people on a go-forward basis in terms of their personal financial business.

The Chair: A short answer, please.

Ms. Isabelle Jacques: It's certainly a question I would like to take back and consult with our Department of Justice
[Inaudible].

Mr. Daniel Blaikie: Once you've done that, could you then give us a response in writing to that question, to the committee please?

Ms. Isabelle Jacques: I can consider the question, yes, and see what response we can provide.

Mr. Daniel Blaikie: Thank you.

The Chair: Thank you.

Thank you, MP Blaikie.

We are moving to the Conservatives and MP Stewart for five minutes.

Mr. Adam Chambers: Mr. Chair, I think MP Stewart is having some technical difficulties, so we'll just do a little bit of tag team here, so I'll—

The Chair: MP Chambers.

Mr. Adam Chambers: Thank you very much, Mr. Chair.

I fully recognize that we're in unprecedented times and those are very over-used words, but the first time we're working through this legislation, it would be very helpful for the committee, as we're discussing or contemplating any recommendations or future uses of [*Inaudible*] either process map or flowchart at a very high level that discusses or outlines the flow of information between the RCMP or other sources of information before it gets to a financial institution so we can understand who touches certain information, where it ends up, and then where decisions are being made.

I think we've had some great information today from our officials in terms of the banks making these determinations based on some information provided by the RCMP, but if this was documented perhaps in written form I think it would certainly help us, or help me as a member of the committee, and I hope others, as we consider any recommendations about process going-forward.

Is that something we could ask of our officials?

🕒 (1650)

Ms. Isabelle Jacques: Certainly, in the sharing of information shared by the RCMP with the financial institutions, it would be best placed to map this out, but we can certainly consult.

Mr. Adam Chambers: That would be fine. Just to the best of your knowledge, how does at a high level, when something gets flagged, it moves over, how it kind of goes through the process and ends up with a financial institution. I hope we'll have opportunities, I suspect we'll have opportunities, to hear from the financial institutions themselves in terms of their own internal processes, but with respect to the government that would be very helpful.

Ms. Isabelle Jacques: Yes, that is a good point because they also have the internal processes and they rely on those to also obtain information that was helpful for this order.

Mr. Adam Chambers: Yes, please, the algorithms that are a bit of a black box and I'm sure we'll learn more about those as well, that we don't have any line of sight into.

The Minister of Finance today stated, and this is a quote, “As of today, a bank or financial service provider will be able to immediately freeze or suspend an account without a court order.” This is implying, I think, this could happen in previous times with a court order, which allows for individuals to make representations on their behalf.

The executive director of the Canadian Constitution Foundation has written that this sounds like an invitation for banks to arbitrarily seize property of suspected involvement without any built-in recourse or ability to apply for reconsideration. The testimony we heard today from these witnesses, and thank you very much for being forthcoming, is that there is the possibility for reconsideration after the fact. I just would like to confirm if that's your understanding.

Ms. Isabelle Jacques: It is my understanding if an account is frozen and the person finds out the account is frozen then they can get in touch with the financial institution. As we explained, there is a duty to determine on an ongoing basis so that

the financial institutions have to review on an ongoing basis the situation and address it. The nature of the suspension or the freezing of the account is temporary. This is an extreme measure, and can be, as we found out, unfrozen fairly rapidly once there's a proper determination.

Mr. Adam Chambers: Thank you.

Does this end up like a no-fly list where somebody is now asterisked for the rest of their life? For those accounts that have been frozen, are these accounts that are limited to the individuals under investigation? I'm thinking of circumstances where there are a number of joint accounts or perhaps someone is a power of attorney for their parents' accounts and all of a sudden because of one individual who has been [*Technical difficulty*], is it now possible for these other individuals to have their accounts and financial services impacted?

Ms. Isabelle Jacques: I would say it's quite different than the passenger protect program that was in place, which has different processes. This is temporary, extraordinary under an order, under the Emergencies Act, and can be revoked and changed fairly quickly.

With respect to accounts, a number of accounts can be affected, including joint accounts with respect to those for which—

Mr. Adam Chambers:

The Chair: Thank you, MP Chambers. That is the time,

Mr. Adam Chambers: Thank you.

The Chair: Now we are moving to the Liberals and MP Diab.

Welcome to committee, MP Diab. You have five minutes.

Ms. Lena Metlege Diab: Thank you very much.

This has been a fascinating afternoon.

Witnesses, thank you very much for the opportunity to hear from all of you. What we've gone through the last few weeks for me personally has been a shock to my system. I can say it's a shock to many people who witnessed it.

I have a couple questions, but I want to finish off where you started, Ms. Jacques. I think we talked about 200 plus bank accounts that were frozen out of I forget how many thousands of donors. How many donors what it...I believe it was in the *Globe and Mail* or something like that. If there's overreach, one would assume...well, I don't know. I don't want to put words in your mouth. Did you say it was 200 and some over all of Canada, over the thousands and thousands of people we saw illegally protesting, blockading, whatever, that were frozen out of how many dollars amount [*Technical difficulty*].

My heart goes out to anybody that really thinks that if they put \$20 or \$50 in good faith to a good cause that they could somehow be held liable. You really are reassuring me in hearing you in the last couple of hours that is not the case. If erroneously it happens it should and could and would definitely be overturned by simply contacting the bank and taking care of that. I practised law. It's been now about 10 years since I've not practised law, but before that I practised over 20 years. I know in matrimonial law all kinds of frozen bank accounts happened there. There are all kinds of situations where they get frozen and so on. There is a mechanism if there's an error or so on.

Can you go back to that point again and reassure us one more time, please, so that these people that in good faith did something good across the country to really help something that they thought was the right thing to do that they're not caught in it. Specifically, from what timeframe would that have taken into effect?

🕒 (1655)

Ms. Isabelle Jacques: If people, in good faith, were making donations prior to knowing that the order was in effect and prior to the situation degenerating to the point that it did, certainly they were not captured. There's no retroactivity, as you point out, to the order. It was only from a point forward, from February 15. All I can say, in our discussions we've had in the past week with financial entities, certainly that was not the target of the activities, certainly not the target of the list provided by the RCMP. Is it possible that somebody was captured? It's always possible because the order provides for it, but I doubt we'd have many of those cases.

To go back to the numbers that you were asking about, the numbers change all the time. I'm sure they're lower today than the last ones I have, as accounts have been unfrozen on an ongoing basis since yesterday. The last number I had was over 206 accounts, but it's a smaller number of people because some of these persons have more than one account. The total number, the value, the last number I had was \$7.8 million.

[*Français*]

Mme Lena Metlege Diab: Merci de votre réponse.

[*English*]

I want to go to justice for a moment, for whatever time I have left.

I heard a lot, and I heard all the debates—most of them. I was virtual, thank God for that. I heard a lot of them. A lot of the debates also concentrated on this predecessor or the so-called predecessor to the act. Can justice officials please explain, in plain language—I would say in plain English and the translation will be in plain French—the differences between the predecessor War Measures Act, which dealt with war, and military and so on, and the current act, please, and the relation of that to our charter and what rights we have as individuals? I come from a place in the world where I've seen military, unfortunately. Differentiate those or make similarities, please.

The Chair: In a short answer, please.

Ms. Samantha Maislin Dickson: Very shortly, the Emergencies Act passed in 1988. The charter came into force in 1982. It applies. Any governmental action, be it the statute, the regulation, the implementation, must be compliant with the charter.

The War Measures Act was a different statute. To be very explicit about it, the Emergencies Act included a specific reference to the fact that the Charter of Rights and Freedoms would apply.

The Chair: Thank you, MP Diab.

Ms. Lena Metlege Diab: Thank you.

The Chair: Members, we are moving to our fifth round. This round will be our final round, when we will conclude with the witnesses for today. As I normally do when we come to this time and look at how much time we have left, I will divide up this round equally amongst the different parties. There will be three and a half minutes for each party. We'll start with the Conservatives. I don't have here who's speaking first for the Conservatives or who's on the list. Could you help me out?

🕒 (1700)

Mr. Philip Lawrence: Thanks very much.

Mr. McLean, did you want to take the round there? I'm sorry. I know you've just arrived, Greg.

Mr. Greg McLean (Calgary Centre, CPC): No worries. Yes, I would like to take the round. I hope I'm not asking questions that were previously answered. I apologize for not being here for the previous session. Yes, if I could that would be worthwhile. May I start? Okay.

The questions I have, I look at the nature. I'm glad you brought up the charter on this, but the whole nature of actually expropriating or freezing somebody's bank account is effectively shutting them out of their ability to transact in society, [*Inaudible*] friends and families, and effectively get held that way. Do you not think that's an overstep with what the charter provisions are, as far as freedom to transact, one of our fundamental freedoms?

Ms. Samantha Maislin Dickson: If I may, Isabelle, the measures have been tailored to limit the impact on the Charter of Rights no more than reasonably necessary on the unlawful assembly. The obligation to freeze accounts only applies to people who are participating in the illegal activities that are described in sections 2 to 5 of the emergency measures regulations. A person can regain access to their assets by stopping their participation in those unlawful activities.

Mr. Greg McLean: Yes, but it doesn't say how. The description about being involved is rather broad, if you look at it. It could be anybody who, as we say, gave \$50 to their son to go and protest his [*Inaudible*]. Is that not so?

Ms. Samantha Maislin Dickson: I might pass the floor back to my colleague Isabelle. It was effective as of the date the regulation was made, so as of the 15th of February. Anything that occurred prior to that date is not captured. There is no retroactivity to this regulation at all.

Mr. Greg McLean: I'll go back to Isabelle again, pardon me.

The 206 accounts we're talking about here were all funders, Canadians, who gave funds through gifts and go after February 15?

Ms. Isabelle Jacques: I don't know through which means that they gave money, but certainly money that was in the possession of the financial institutions covered by the order after February 15, that is correct.

Mr. Greg McLean: Sorry, I don't know if the feed is bad at my end or the other end.

Ms. Isabelle Jacques: No, I was just going to say in previous discussions we've had throughout this meeting, what we're saying is in view of the information that has been shared by the RCMP and in view of the fact that the goal was to stop unlawful funding of illegal blockades, the unlawful assemblies, it would seem rather rare if somebody had been giving \$20 and would be captured by...or would have an account seized in view of the information that's been shared.

Mr. Greg McLean: Yet, that is the way it is written.

Ms. Isabelle Jacques: That is the way it's written and it's very possible, but what we discuss is that the main purpose and goal was to ensure that we stopped the funding for the illegal blockades. It is certainly possible.

Mr. Greg McLean: I appreciate that.

The Chair: Thank you, MP McLean. I appreciate that's the time.

We are moving now to the Liberals for three and a half minutes, and MP Chatel.

Mrs. Sophie Chatel: Thank you, Mr. Chair.

Again, this has been a very helpful discussion because like many MPs around the country, we were flooded by fear. Hopefully we could return to our constituency offices and respond to those calls and say if you have donated before February 15, your account won't be frozen. Moreover, for a financial institution to freeze the account, they need the information that you participated to a blockage or that you used that money for such a reason. Again, we all have the statement, can link to my Conservative colleague, of the RCMP that says the list that was provided to financial institutions included identities of individuals who were influencers in the illegal protest in Ottawa and owners or drivers of vehicles who did not want to leave the area impacted by protest. At no time did we provide a list of donors to financial institutions.

I think we have a responsibility to reassure the population in this area.

One of my main concerns is about the source of the funds and those crowdfunding platforms. I'm extremely worried when I hear, because of the leak, that the money, millions of dollars and half of the donations came from the United States, other countries, and anonymous sources.

That's half of the donations from the U.S. I know right now we have a gap on the notion of finding the ultimate source, the beneficial owner of an account here in Canada. We don't have our registry and it won't be ready before 2025. I welcomed the amendment in last year's budget but I'm extremely concerned.

Madame Jacques, this is a question for you. If we do have the information, can we trace back the money to the beneficial owner of these accounts in the U.S.?

🕒 (1705)

Ms. Isabelle Jacques: To my knowledge, not currently and I do not know if on the phone I have a colleague who would be able to give you a better answer. I don't know if Manuel or Julien Brazeau is on the line.

Mrs. Sophie Chatel: Mr. Brazeau? No he's not there.

Mr. Julien Brazeau (Director General, Financial Crimes and Security Division, Financial Sector Policy Branch, Department of Finance): Hi there, I am, sorry.

Unfortunately, no. We don't have.... I think FINTRAC would likely be in a better position to know in terms of the origination of funds, but again, they get information or transaction reports where there's the suspicion of potential money laundering or when individuals are making large-value transactions. They may have the information, but we at the department wouldn't have that line of sight in terms of where those funds originated from.

Mrs. Sophie Chatel: So we have identified in this Emergencies Act several gaps in our legislation. So what is the Department of Finance doing, what are the concrete steps that we would have to take as a government and you as a department to fill those gaps?

The Chair: A short answer, please.

Ms. Isabelle Jacques: Julien, if you may.

Mr. Julien Brazeau: Sure. Briefly, I think—and Isabelle spoke to this before—the major gaps are information-gathering gaps and that's what we're trying to address by working on regulations that will capture crowdfunding platforms and payment service providers with a view to having a better line of sight in terms of where the flow of funds is coming from and to what ends those funds are being used. Those are measures that I think the government has announced it wishes to make permanent, and as Isabelle said, we're working on those at the moment.

Mrs. Sophie Chatel: Thank you.

The Chair: Thank you. Thank you, MP Chatel.

We are now moving to the Bloc and MP Ste-Marie.

[*Français*]

M. Gabriel Ste-Marie: Merci, monsieur le président.

Ma question sera pour les représentants du ministère des Finances, dont pour Mme Jacques ou son collègue.

Les institutions financières, en vertu des lois ordinaires, sont habituées, en quelque sorte, à geler des comptes, que ce soit en cas de fraude financière, de blanchiment de sommes mal acquises ou de financement d'activités criminelles. Dans de tels cas, la procédure normale est alors d'informer le CANAFE et d'attendre leur réponse avant de dégeler les comptes au besoin. Je le répète: tout cela en fonction de l'application des lois ordinaires. Or, le décret est rédigé de façon assez vague de mon point de vue, donc j'aimerais savoir si le ministère a donné des directives plus claires au CANAFE pour le traitement de gels de ces comptes.

Mme Isabelle Jacques: Non, le CANAFE n'est pas autorisé à aviser les banques de geler ou dégeler les comptes. Cela ne fait pas partie de son rôle. Je suis certaine que vous aurez l'occasion d'en parler plus en détail jeudi lorsque ses représentants viendront témoigner devant le Comité. Non seulement ce n'est pas leur rôle normalement, mais ce ne l'est pas non plus sous le décret actuel.

Monsieur Brazeau, aimeriez-vous renchérir sur ma réponse?

🕒 (1710)

M. Julien Brazeau: Tout à fait.

Il n'y a pas eu de communications entre le ministère et les dirigeants du CANAFE de quelque façon en ce qui a trait aux gels de comptes, parce que ce n'est pas dans l'exercice de leur mandat de faire cela.

M. Gabriel Ste-Marie: Merci de vos réponses.

J'en profiterai pour remercier tous les fonctionnaires qui représentent le ministère.

Vous faites un travail incroyable. Nous avons eu beaucoup d'informations aujourd'hui, alors, sincèrement, je vous en remercie grandement.

J'utiliserai le reste de mon temps pour faire un commentaire à mes collègues du Comité.

Depuis quelques jours à la Chambre, nous nous sommes penchés sur les décrets et la Loi sur les mesures d'urgence. À la lumière des travaux que nous avons faits aujourd'hui et de toutes les informations que nous avons eues à la Chambre, je m'inquiétais à savoir si le gouvernement, n'ayant pas agi dans les premières semaines du siège, à Ottawa, a voulu faire un grand coup d'éclat avec la Loi sur les mesures d'urgence pour envoyer le signal à la population qu'il agit et qu'il est proactif. Or, jusqu'ici, je n'ai rien vu qui m'a convaincu que nous avions absolument besoin de sortir l'arme nucléaire des mesures législatives: la Loi sur les mesures d'urgence. Tout aurait pu être couvert par les lois ordinaires. De mon point de vue et de celui du Bloc québécois, c'est vraiment un exercice de communication, qui est un dangereux précédent. J'imagine que la suite des travaux du Comité pourra continuer de nous apporter des informations pour approfondir notre analyse.

Sur ce, monsieur le président, je termine mon intervention.

Merci.

Le président: Merci, monsieur Ste-Marie.

[English]

Our last questioner is going to be NDP MP Blaikie, for three and a half minutes, please.

Mr. Daniel Blaikie: Thank you.

I would repeat the comments that were made earlier, just to the effect that we really are in uncharted territory with the use of the act, so it's an important test case. I think there are a lot of lessons that we need to learn and it's incumbent upon the committee to be able to make good recommendations on what we have learned from this and how to ensure that, when powers like this are used, they're used appropriately and they're not used any more than they must be in order to deal with a national emergency.

I think there's a civil liberties' association already that's challenging the use of the act. I welcome that test. I think it's appropriate that these things be tested in court.

For Canadians who have had a bank account frozen who feel that this was inappropriate, that they had nothing to do with the convoy for instance, one of the things that they need, and this is why I've been talking about the importance of a notice, letting people know that their account was in fact frozen under the authority of the Emergencies Act, they need to know that's why their account was frozen, and then they need resources obviously in order to be able to challenge that.

I'm wondering what thought government has given, and what the plan is, for Canadians to be able to pursue this after the fact if they felt that government got it wrong in flagging them to financial authorities, and that they weren't dealt with appropriately under the emergency orders? What recourse will there be for them? Who would be held responsible if there was a successful court case that found they were inappropriately flagged?

Ms. Isabelle Jacques: As we discussed before, certainly the issue of notice is something that we will take a look at. Certainly, in view of the extraordinary nature of the Emergencies Act and the steps that had to be taken rapidly to stop the funding of illegal blockades, it was felt that the act as drafted met the charter requirements, and that there's an ongoing requirement to review the information the financial institutions have in their possession, and that there's a quick possible resolution to an account being frozen. It was either the person seizes the illegal activity, returns home, advises the bank, and the account can be unfrozen fairly rapidly. If it's a case of mistaken identity, the same thing, a quick discussion with the financial institution and verification of wrongful identity and the account can be unfrozen quickly.

I think in view of the way it's been set up and the positive obligation to review on an ongoing basis, we felt that the persons were well protected.

🕒 (1715)

Ms. Samantha Maislin Dickson: If I may just add, and draw your attention to section 47(2) of the act, while persons can be subject to immunity, the crown does remain responsible pursuant to the Crown Liability and Proceedings Act. Therefore,

should there ever be a case where damages were to be awarded, the act provides that the crown is ultimately liable.

Mr. Daniel Blaikie: Okay, so there is an avenue for Canadians to pursue remedies if they feel they've been treated wrongly under the law.

I know we have the court challenges program, so would that be a kind of suitable place for Canadians to go for resources in order to be able to challenge these things in court, or are there any other kinds of supports for challenges to the use of these powers being contemplated by government at the moment?

The Chair: A very short answer, please.

Ms. Samantha Maislin Dickson: I don't feel, myself, comfortable to suggest how folks should seek legal advice, but there are various mechanisms out there that people can access.

The Chair: Thank you, and thank you, MP Blaikie. That is the time.

This is also the time—

Mr. Adam Chambers: Point of information, Mr. Chair.

The Chair: Yes, MP Chambers.

Mr. Adam Chambers: Thank you very much, Mr. Chair.

I know we were saving 15 minutes for discussion of the motion, but there have been some discussions behind the scenes with the parties, and I believe there will be a unanimous consent provided for an amended motion.

Since I took some time from my colleagues earlier discussing the motion, if it's okay with the rest of my colleagues, if we wanted to offer both the Bloc and the NDP an additional couple of minutes, that would be an offer we'd be willing to make if that's okay with the rest of the committee, as we have our witnesses here.

The Chair: Clerk, if you could let me know [*Inaudible*], and thank you, MP Chambers.

Mr. Daniel Blaikie: I certainly have no objection.

The Chair: I'm sure you don't.

Are we good with UC?

Some hon. members: Agreed.

The Clerk: I, myself, don't see any objections, sir.

The Chair: We have a little bit more time.

Is this for everybody, MP Chambers?

Mr. Adam Chambers: No, it was just for the Bloc and NDP, since they always get shortened—

The Chair: They got equal time in this last round, but okay.

Mr. Adam Chambers: They have final comments.

The Chair: MP Ste-Marie, do you have a final comment?

Mr. Adam Chambers: I have circulated the updated motion for everyone in their **lrr**, so that is available for us to review as the final comments come in.

Thank you.

The Chair: Thank you.

MP Ste-Marie, do you have any final comments? Then MP Blaikie, we'll get your final comments

[*Français*]

M. Gabriel Ste-Marie: Une courte question pour Mme Jacques.

Lors de la proclamation des décrets, quelles ont été les façons d'informer les institutions financières? Je pense aux grandes banques, les banques de Toronto, les coopératives et le Mouvement Desjardins.

Mme Isabelle Jacques: Les grandes banques étaient au courant. On a communiqué avec eux et nous avons eu des discussions, incluant les grandes banques et certainement Desjardins pour parler du décret et répondre aux questions qu'ils pourraient avoir concernant l'application de ces nouvelles mesures.

M. Gabriel Ste-Marie: Donc les grandes banques, Desjardins et les autres institutions ont eu suffisamment de temps pour poser leurs questions.

Est-ce bien cela?

Mme Isabelle Jacques: Oui, certainement.

M. Gabriel Ste-Marie: Merci beaucoup.

Mme Isabelle Jacques: Cela me fait plaisir.

[*English*]

The Chair: Thank you.

[*Français*]

Merci, monsieur Ste-Marie.

[*English*]

MP Blaikie.

Mr. Daniel Blaikie: Following up in that same spirit, for folks who bank with financial institutions such as credit unions out here on the Prairies, what opportunity would smaller financial institutions have had to get clarity on what their obligations are and how to act appropriately, under the orders?

Ms. Isabelle Jacques: We had a similar discussion last week. I think we had—and Julien can correct me if I'm wrong—over 620 people participating in an information session to answer questions they may have had on the application of the order.

Mr. Daniel Blaikie: That would have been made available—

Ms. Isabelle Jacques: They were provided with.... Yes, it was made available.

Mr. Daniel Blaikie: —to credit unions across the country, in addition to big banks.

Ms. Isabelle Jacques: Absolutely. We had a lot of people interested in asking questions.

Mr. Daniel Blaikie: Thank you.

The Chair: Thank you, MP Blaikie.

You had great questions and answers.

This is now the opportunity to thank the witnesses for coming before us as we study the Emergencies Act and for all the great testimony, on behalf of the members, the clerk, the analysts, the interpreters, the staff and everyone else. I hope I have not forgotten anybody. We do thank you for being with us here today and for joining us.

To the witnesses, you're free to go at this time.

We thank you all.

🕒 (1720)

Ms. Samantha Maislin Dickson: Thank you.

Ms. Isabelle Jacques: Thank you.

The Chair: Mr. Clerk, can you let me know when...?

The Clerk: Yes.

The Chair: Okay, the witnesses are gone.

The Clerk: Yes.

The Chair: We do have the motion.

Listen, members, I apologize wholeheartedly on this. I know I've been holding [*Inaudible*] whole time and jiggling around and trying to keep it as steady as possible, so my apologies to all of you.

We do have MP Chambers' motion.

MP Chambers, do you want to first discuss your motion?

Mr. Adam Chambers: Yes.

Thank you very much, Mr. Chair.

You did a fantastic job under the circumstances. I know that Mr. Ste-Marie would have done an excellent job, but we're glad that you were able to rejoin us.

I did circulate an updated motion. This does reflect comments from all parties, and that is certainly welcomed, in the spirit of collaboration, of course. We're trying to move quickly, but I can read it into the record. It is shorter, which is nice.

Ms. Annie Koutrakis: I have a point of order, Mr. Chair.

I'm sorry Mr. Chambers.

I have reason to believe that, perhaps, not all members have received it. I just want to make sure all the members have received this amended motion.

Mr. Adam Chambers: My apologies. I did circulate it to the clerk. Perhaps he can make sure you receive it.

I'll read it, in the short term, and we'll make sure you get that in your account.

That for as long as the Emergencies Act financial requirements are in place, that the RCMP, CSIS, CBSA, Public Safety and FINTRAC provide a weekly report to the committee of the total number of persons and accounts they have flagged or requested to be frozen by regulated financial institutions, and that all federally regulated and federal agencies provide a similar weekly report of the total number of persons and accounts that have been frozen using Emergency Act powers; and finally, that this information be provided in a manner that respects personal privacy, national security and operational security, and that the first report be due to the committee on March 2, 2022.

For greater clarity, one report on behalf of the government would be satisfactory. I think what we're looking for in this committee would just be the number. As we track this number, we may wish to revisit additional requests for information. But I believe that if you seek, you will find that we have unanimous consent to accept this motion.

The Chair: Thank you, MP Chambers. I just want to check quickly if it has been distributed, Clerk, to everyone?

The Clerk: There were quite a few names missing from the distribution of Mr. Chambers and I have forwarded it to the names that were not on the distribution. So if there are MPs in the meeting right now who do not have it, please let me know

and I will circulate it.

I had one question for Mr. Chambers. When you read the motion, near the end, was it “...and that all federally regulated federal agencies” that you read? Or is it “financial agencies”?

Mr. Adam Chambers: Apologies, it's “...regulated financial agencies provide a weekly report.”

The Clerk: Okay, perfect.

Mr. Chair, Ms. Dzerowicz had her hand up and just lowered it. So there's no one who has their hand up right now.

Mr. Fragiskatos raised his hand.

The Chair: Okay, MP Fragiskatos.

Mr. Peter Fragiskatos: No, it was the same question, “...federally regulated financial agencies”, correct?

Mr. Adam Chambers: That's correct.

Mr. Peter Fragiskatos: Okay, great.

The Chair: Okay, thank you, MP Chambers.

Discussion? Clerk, no hands?

The Clerk: There is Ms. Chatel who just raised her hand.

The Chair: MP Chatel.

Mrs. Sophie Chatel: Yes, a point of clarification, Mr. Chair. I just wanted to know what it means, “...as long as the Emergencies Act financial requirements are in place.”

Do we mean while the Emergencies Act is in effect?

Thank you, Mr. Chair.

[*Français*]

Le président: Merci, madame Chatel.

[*English*]

MP Chambers.

Mr. Adam Chambers: That would be an appropriate interpretation, Ms. Chatel.

🕒 (1725)

The Chair: Clerk, again, I am flying blind so if any other hands are raised—

The Clerk: Yes, Mr. Blaikie's hand is up.

The Chair: MP Blaikie.

Mr. Daniel Blaikie: Mr. Chair, I just wanted to thank Mr. Chambers for bringing the motion forward. I think this is good oversight information and I think part of the important thing that it would allow us to do, we've heard today that these powers are really only meant to have been used to freeze accounts for the period really from February 15 to February 22, that the RCMP have or ought to have directed a lifting of all account freezes so far and I think this would just give us the opportunity to get that reporting and be able to track as a committee any other frozen accounts beyond the initial report in the period going forward, then that will be an important prompt for us to begin asking questions and maybe hear again from some of the officials.

I think this is a good piece of work and a good contribution to the oversight work that we can provide as the finance committee of the House of Commons.

The Chair: Thank you for that, MP Blaikie, and I'm not sure if there are any further hands, Clerk?

The Clerk: Mr. McLean has his hand up as well.

The Chair: Okay, Mr. McLean.

Mr. Greg McLean: Yes, I apologize. [*Inaudible*] Instead of “agencies”, as agencies are usually government institutions, should we put “entities” in the last sentence there? It'd be friendly. It says that all federally regulated financial “agencies” provide a similar weekly report. Should we put “entities”?

Mr. Adam Chambers: So long as my colleagues around the table don't object to that amendment, I think that would provide greater clarity, yes.

The Chair: Members?

The Clerk: There is Ms. Koutrakis and Ms. Dzerowicz.

The Chair: Ms. Koutrakis, yes.

Ms. Annie Koutrakis: Yes, if I may, Mr. Chair, instead of “entities”, would it not be more sound to say “institutions”, “financial institutions”?

Mr. Adam Chambers: Correct.

The Chair: Who said that, Clerk?

Ms. Lena Metlege Diab: Madame Koutrakis.

Ms. Annie Koutrakis: It was me, Mr. Chair.

The Chair: Yes, but then somebody said, “Correct.” I'm not sure who said that.

Mr. Adam Chambers: Sorry, it's Mr. Chambers with the motion. So I kind of accept that as a friendly amendment. I think that's appropriate.

The Chair: Okay.

Mr. Adam Chambers: I see some thumbs up.

The Chair: Yes, all right, excellent. Great to see that, and I do see a hand up.

MP Dzerowicz.

Ms. Julie Dzerowicz: No, I was just going to say thumbs up.

The Chair: Oh, just thumbs up. I saw the hand up.

Ms. Julie Dzerowicz: Can we put this to vote perhaps?

The Chair: I thought we had UC on this.

Ms. Julie Dzerowicz: Can we have UC on this and just declare it UC?

Mr. Adam Chambers: Wonderful.

The Chair: Do we have UC?

Clerk?

The Clerk: I don't see any opposition.

The Chair: Excellent.

Members, thank you so much.

Shall we adjourn?

Ms. Lena Metlege Diab: Yes.

The Chair: Have a wonderful evening.